

Quarterly Financial Status Report
FY 2015/2016
1st Quarter

Executive Summary:

The City of Mesa has closed the first quarter of the 2015/16 fiscal year, July through September. This snapshot shows the financial projection for the year compared to the adopted budget. There are no significant deviations to report for the General Governmental Funds at this time as overall revenues are projected to be greater than budgeted and overall expenses are projected to be less than budgeted. The Enterprise Fund is projected to perform better than originally anticipated.

The Licenses, Fees and Permits category is on track however a change in the classification of a revenue is causing it to show caution. The other categories showing caution or monitoring are not significant to the overall financial status of the fund.

Year to date actual revenues and expenditures are subject to seasonality and other various timing issues and do not necessarily represent 25% of the projected year end estimate.

	General Government Funds		Enterprise Fund
	Revenues	Expenditures	Net Sources and Uses
	Adopted Budget	\$ 371,564	\$ (4,587)
	Year to Date Actuals	\$ 86,695	\$ 16,917
Year End Estimate	\$ 372,371	\$ 379,997	\$ (3,559)
(In Thousands)			

Legend	General Government Funds		Enterprise Fund
	Revenues	Expenditures	Net Sources and Uses
	Taxes	Community Development and Services	Electric
	Intergovernmental	Parks and Library	Natural Gas
	Sales and Charges for Services	Law Enforcement	Solid Waste
	Licenses, Fees, and Permits	Fire and Medical	Wastewater
	Fines and Forfeitures	Other Departments	Water
	Other Revenues	Transfers Out	Other/Non-Utility
	Transfer In		

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General Fund and Quality of Life - Revenues

Revenue Categories	Adopted Budget	Year to Date Actuals	Year End Estimate
Taxes	\$ 123,016	\$ 29,586	\$ 124,805
Intergovernmental	\$ 114,554	\$ 24,419	\$ 114,345
Sales and Charges for Services	\$ 9,230	\$ 2,386	\$ 9,571
Licenses, Fees, and Permits	\$ 19,280	\$ 3,663	\$ 18,852
Fines and Forfeitures	\$ 4,144	\$ 694	\$ 4,129
Other Revenues	\$ 1,668	\$ 1,029	\$ 998
Transfers In	\$ 99,671	\$ 24,918	\$ 99,671
Total	\$ 371,564	\$ 86,695	\$ 372,371

(In Thousands)

Exceeding
On Track
Caution
Monitoring

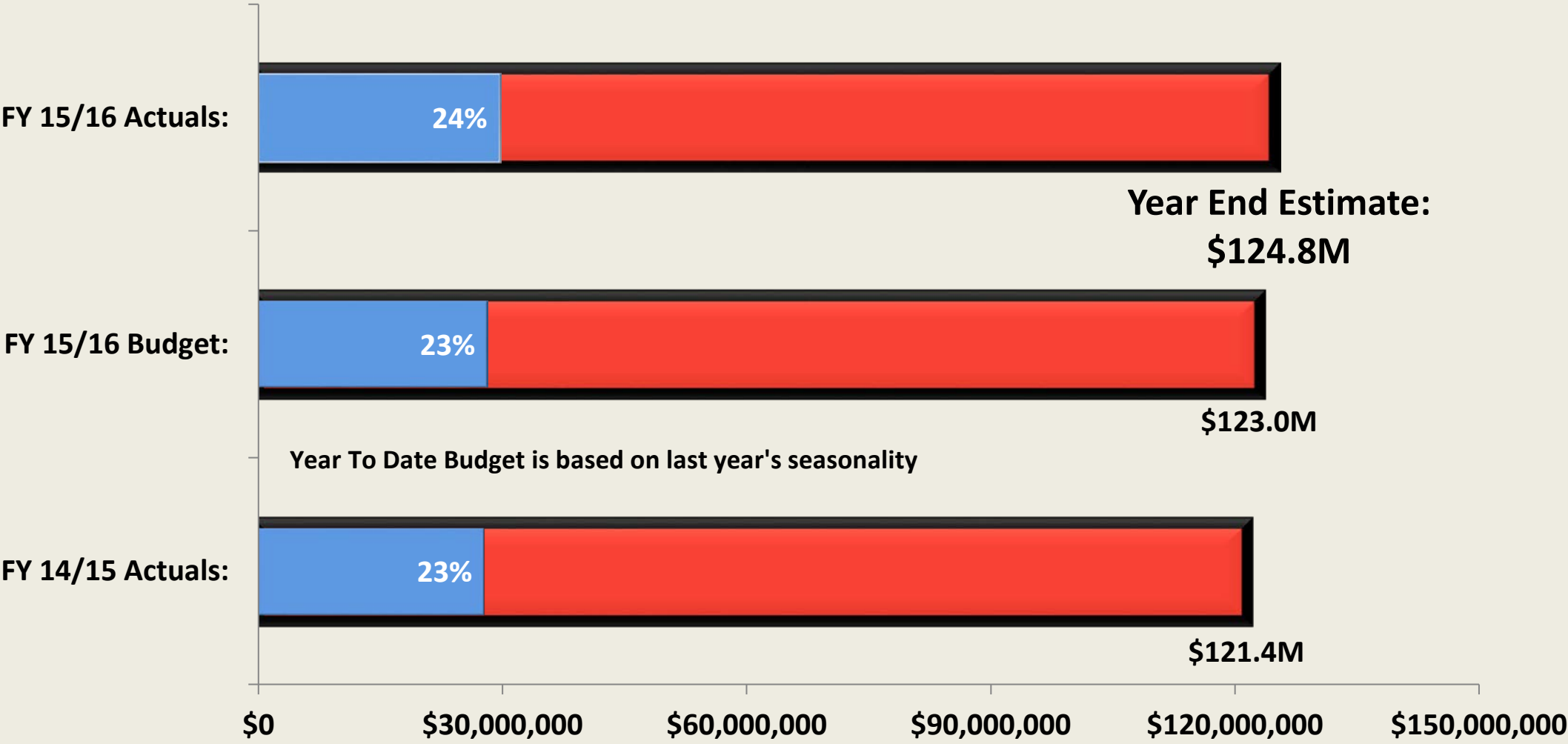
FY 15/16 Revenues: Taxes Summary

The below data represents revenue collections from sales and use taxes in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 123,016	\$ 29,586	\$ 124,805

(In Thousands)

Taxes - Revenues



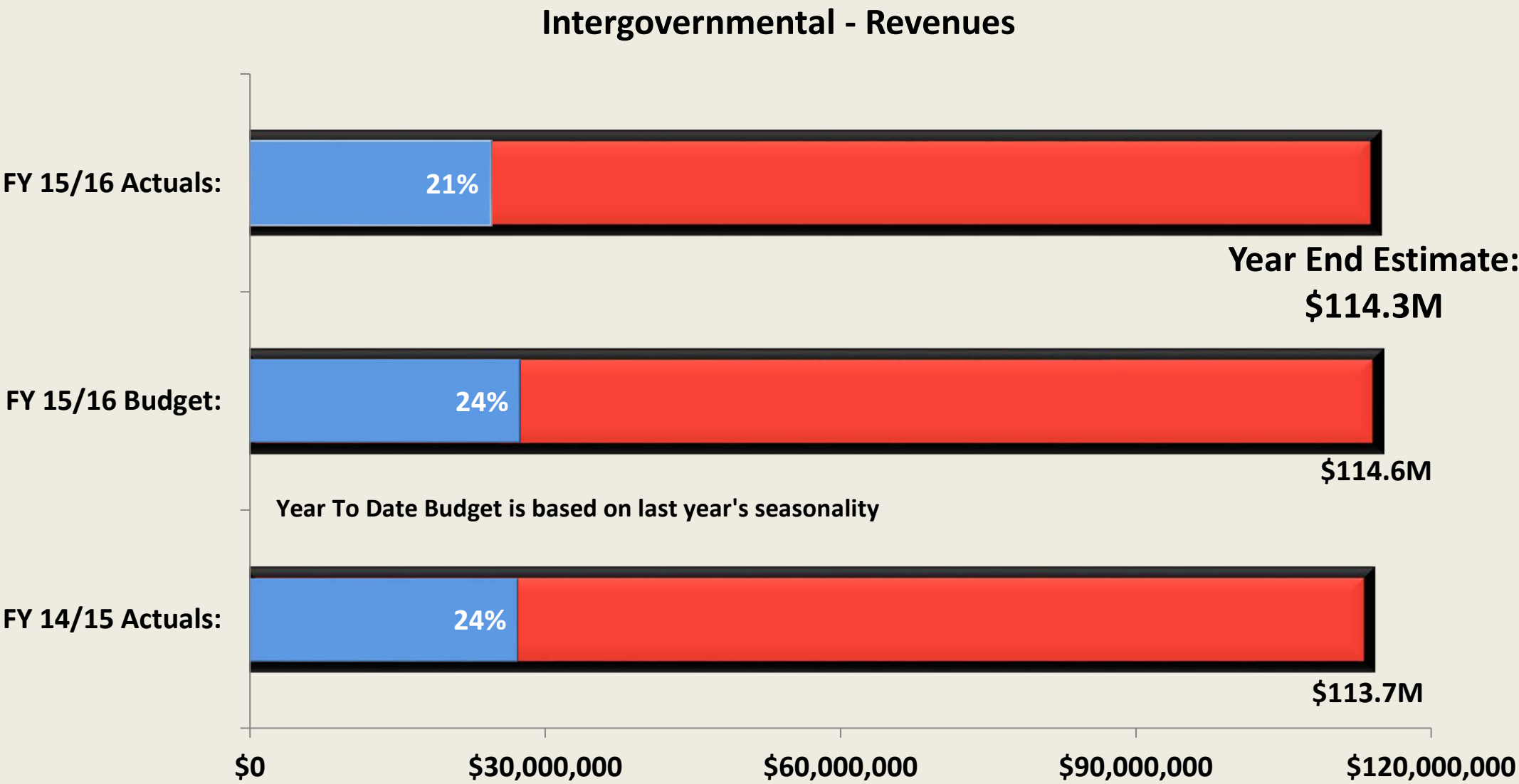
Sales tax collection is projected to be \$1.8M higher than the budget for the General Fund and the Quality of Life Fund based on the current sales tax collections which are 2.1% above budget through September.

FY 15/16 Revenues: Intergovernmental Summary

The below data represents revenue collections from federal grants and reimbursements, urban revenue sharing (state income tax), state shared sales tax, vehicle license tax, highway user tax, state grants and reimbursements, and county and other government revenues in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 114,554	\$ 24,419	\$ 114,345

(In Thousands)



The City is projecting a slight decrease in revenues collected for vehicle license tax and state shared sales tax as current receivables are lower than forecasted. Otherwise this category is on track with budget.

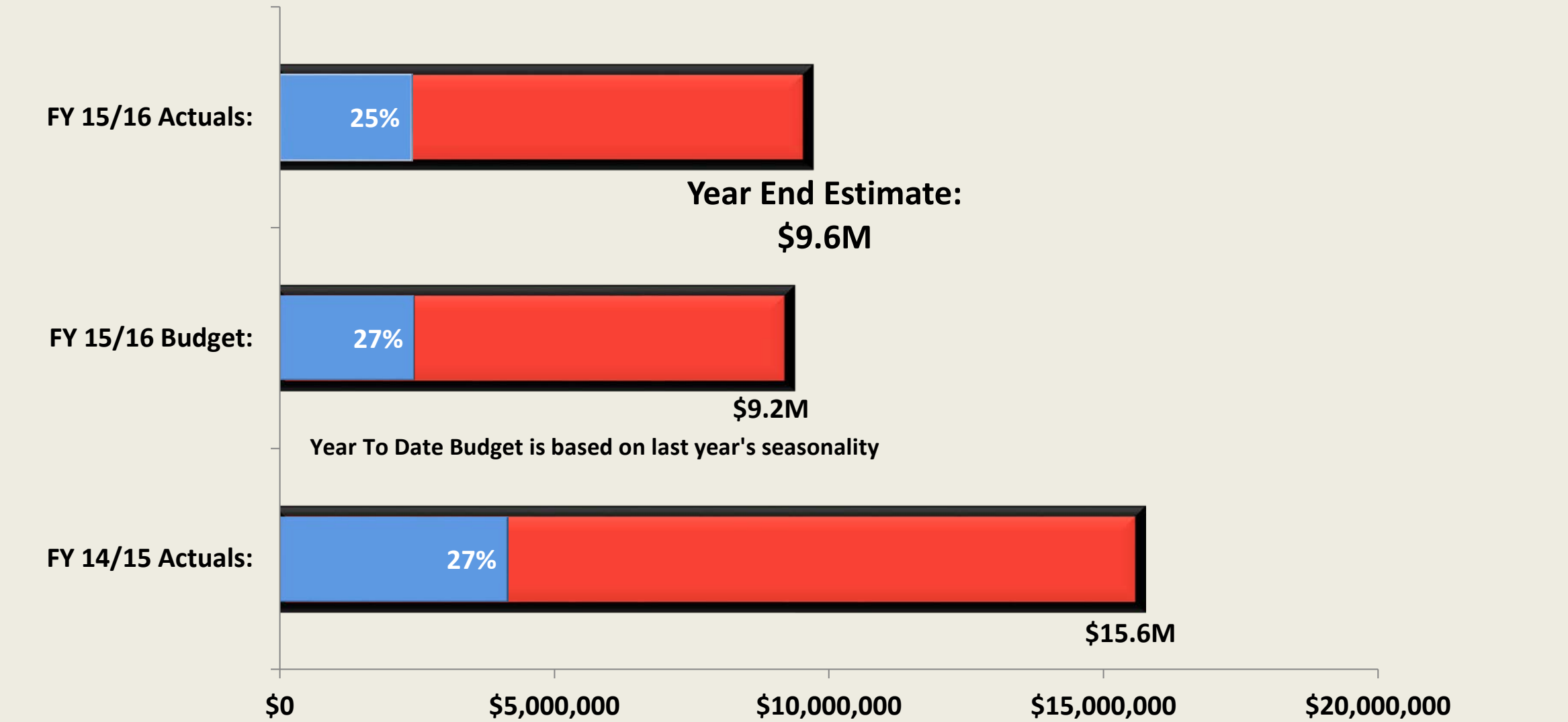
FY 15/16 Revenues: Sales and Charges for Services Summary

The below data represents revenue collections from general services, culture and recreation services, and enterprise services in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 9,230	\$ 2,386	\$ 9,571

(In Thousands)

Sales and Charges for Services - Revenues



The budgeted revenue for Fire and Medical for building permits (commercial fire permits) will be received under fire inspections fees causing a \$500K increase for this revenue category, with a corresponding decrease in the Licenses, Fees, and Permits revenue category. For dispatch fees, there was a \$134K downward adjustment to the year end estimate as there is a chance that two of our partner agencies will be changing their ambulance dispatch model.

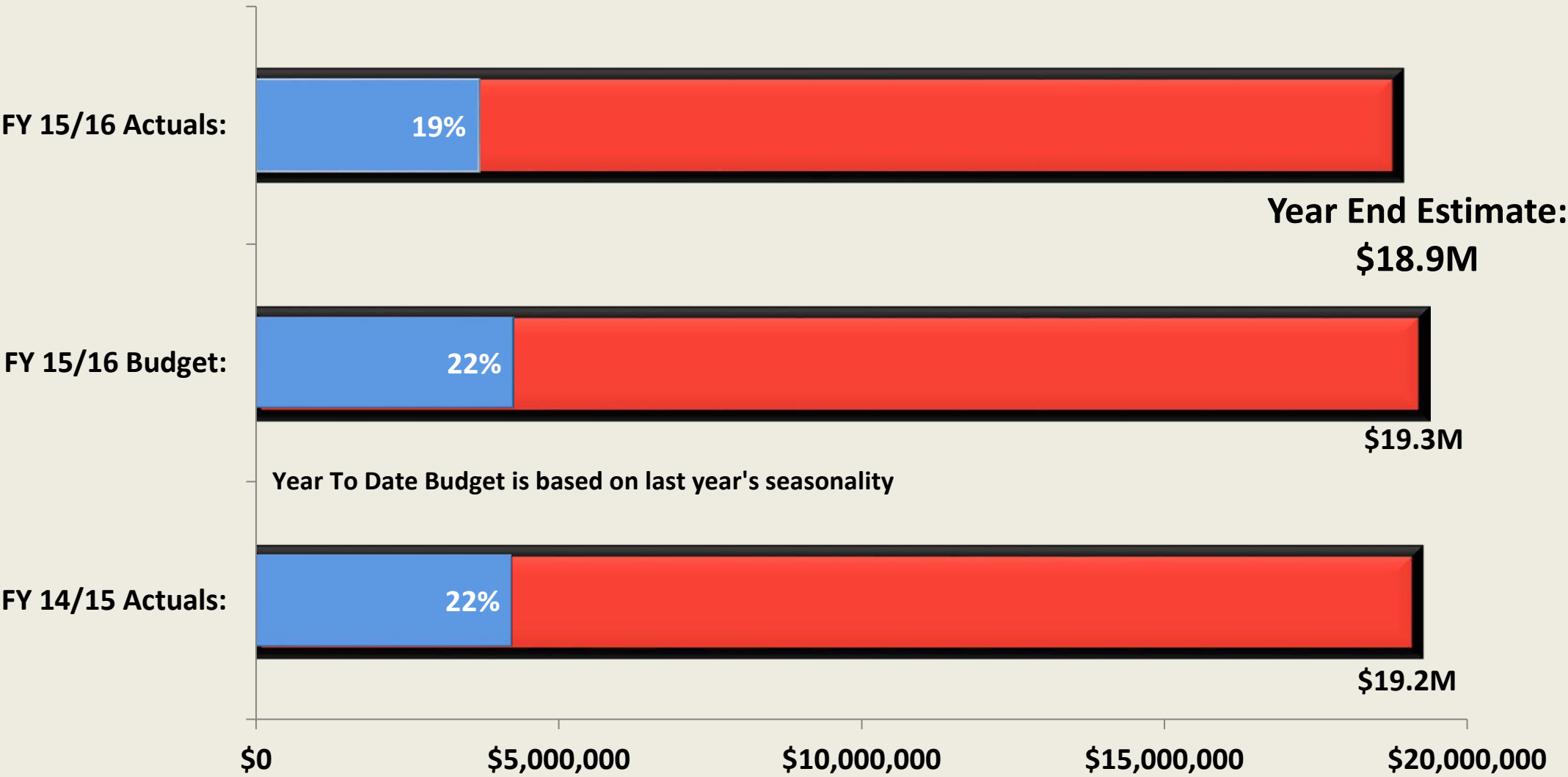
FY 15/16 Revenues: Licenses, Fees, and Permits Summary

The below data represents revenue collections from business licenses, permits, fees, court fees, and culture and recreation fees in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 19,280	\$ 3,663	\$ 18,852

(In Thousands)

Licenses, Fees, and Permits - Revenues



The year end estimate for cable tv has been increased and the year end estimate for building permits has been decreased based on actuals received in FY 14/15. For FY 15/16, the budgeted revenue for Fire and Medical for building permits (commercial fire permits) will be received under fire inspection fees resulting in a \$500K decrease for this revenue category and an associated increase for the other category. Without this adjustment, this category would be on track with the budget.

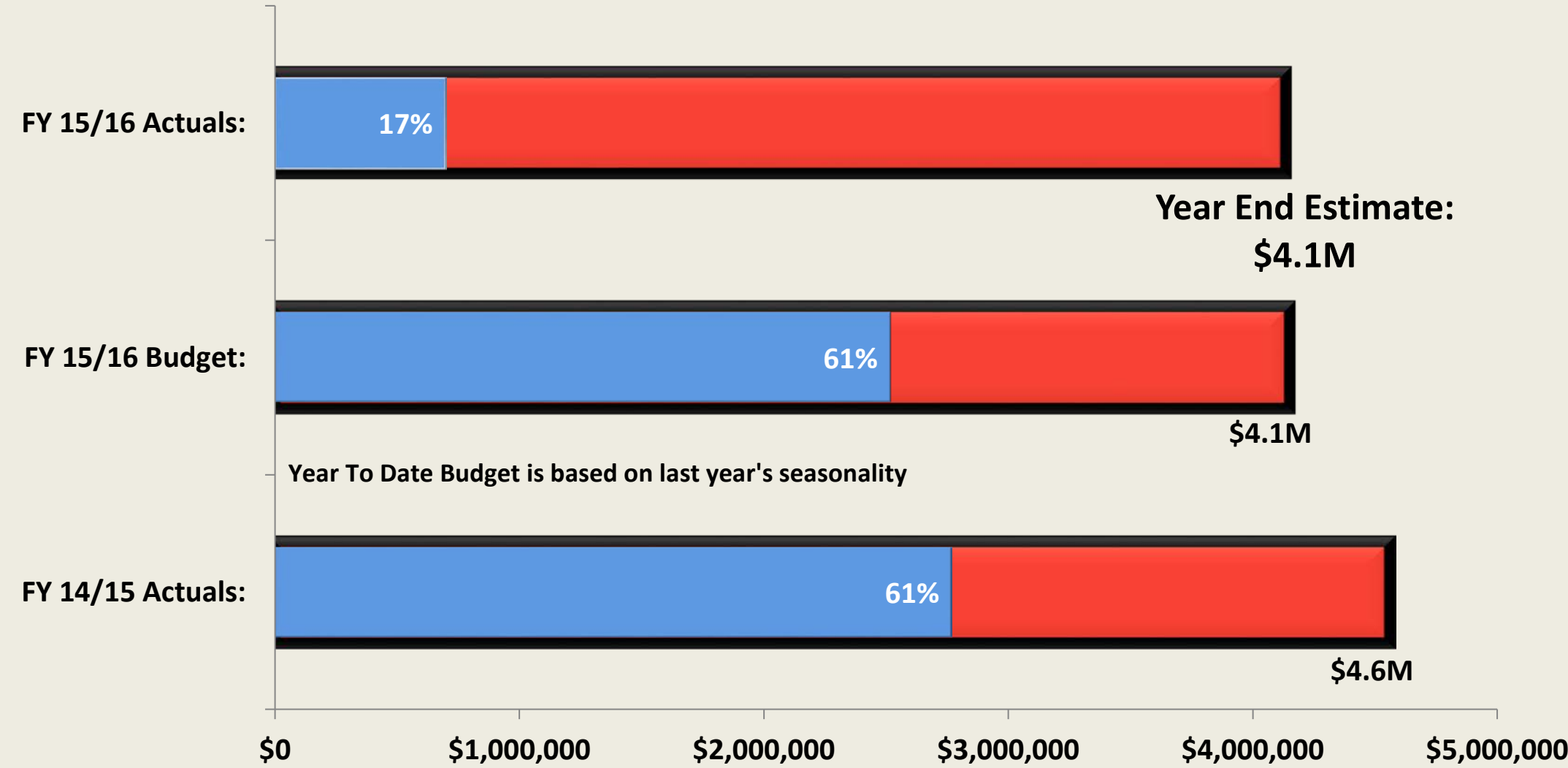
FY 15/16 Revenues: Fines and Forfeitures Summary

The data below represents revenue collections from court and other fines in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 4,144	\$ 694	\$ 4,129

(In Thousands)

Fines and Forfeitures - Revenues



Fines and forfeitures are projected to be on track with the budget. The year to date actuals for FY 14/15 are not comparable as they included all revenues received through the Municipal Court and did not exclude those revenues that are passed onto other entities. Presented Municipal Court revenues now include only the City of Mesa portion of the revenues and only those fines that have been paid. Adjustments were made during the year so FY 14/15 actuals are comparable with the FY 15/16 budget and year end estimate.

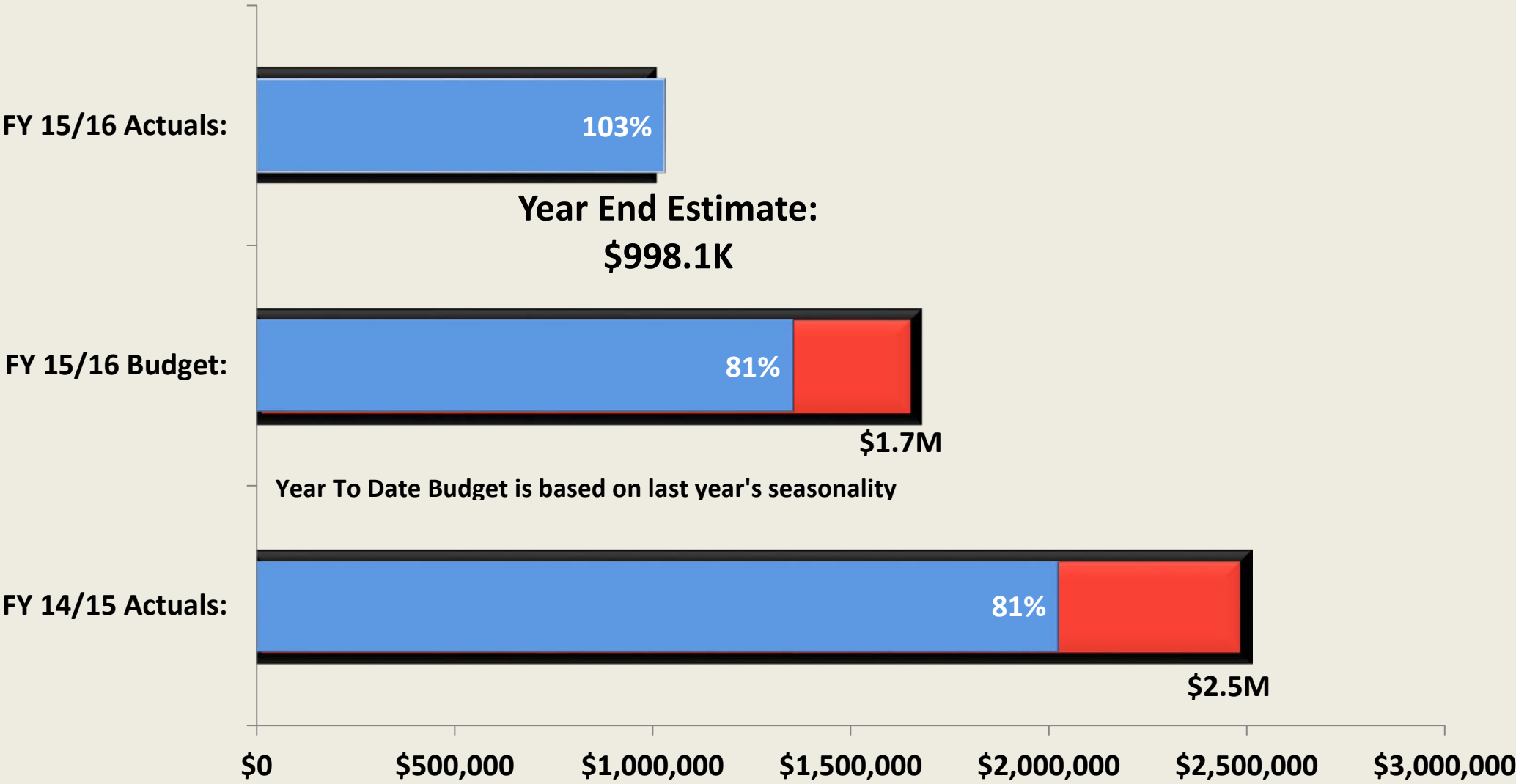
FY 15/16 Revenues: Other Revenues Summary

The data below represents revenue collections from interest, contributions and donations, other financing sources, sale of property, self insurance contributions, and other revenues in the General Fund and Quality of Life Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 1,668	\$ 1,029	\$ 998

(In Thousands)

Other Revenues - Revenues



Other revenues are projected to be lower than the budget due to a decrease in sale of city property (vehicle sales) and contribution in aid. The year end estimate for other revenues for Centralized Appropriations was adjusted downward compared to budget to match seasonality. The actuals are currently overstated due to a duplication of some revenue transactions that will be corrected in the second quarter.

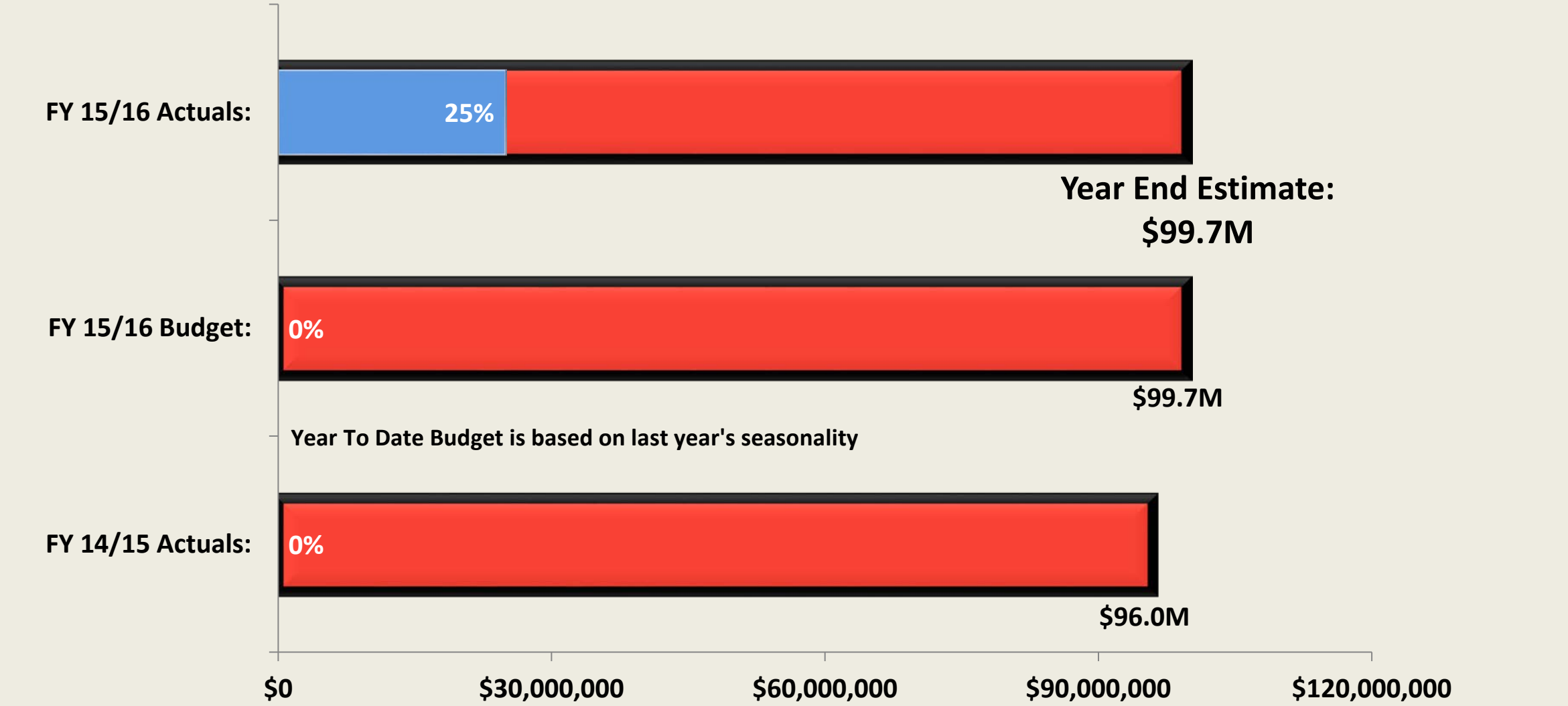
FY 15/16 Revenues: Transfers In Summary

The data below represents transfers into the General Fund and Quality of Life Fund from other funds within the city.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 99,671	\$ 24,918	\$ 99,671

(In Thousands)

Transfers In - Revenues



Transfers into the General Fund are mainly comprised of the utility contributions. In FY 14/15, the transfer policy was changed to transfer funds each quarter rather than at the end of the year. The initial transfer was completed after second quarter. After the second quarter of this year, the actuals between the two years should align.

General Fund and Quality of Life - Expenditures

Expenditures	Adopted Budget	Year to Date Actuals	Year End Estimate
Community Development and Services	\$ 8,856	\$ 2,213	\$ 8,406
Parks and Library	\$ 22,106	\$ 5,208	\$ 22,164
Law Enforcement	\$ 169,100	\$ 39,060	\$ 168,681
Fire and Medical	\$ 68,071	\$ 15,446	\$ 68,306
Other Departments	\$ 84,885	\$ 17,561	\$ 83,968
Transfers Out	\$ 27,761	\$ 2,873	\$ 28,471
Total	\$ 380,779	\$ 82,362	\$ 379,997

(In Thousands)

Exceeding
On Track
Caution
Monitoring

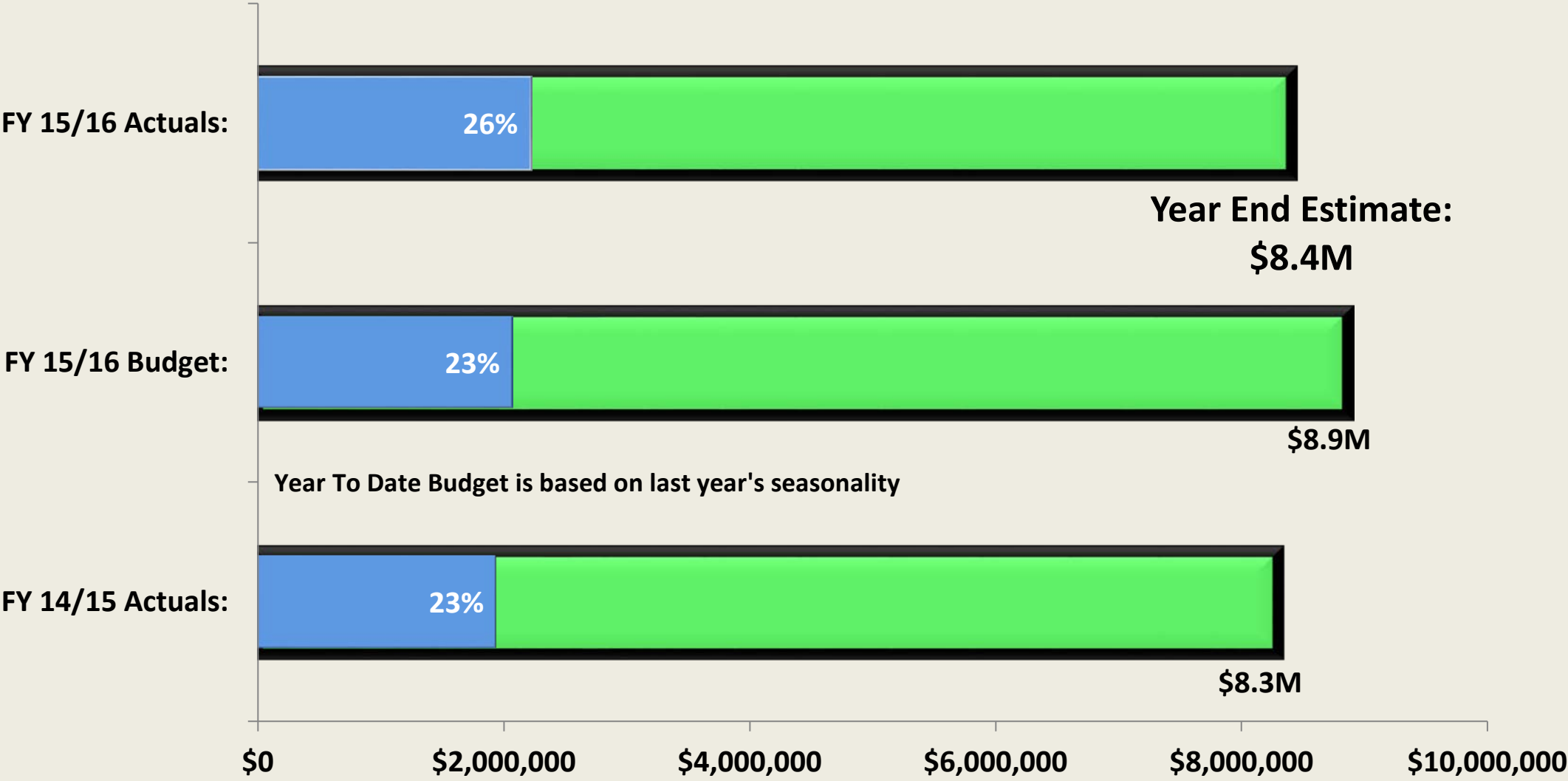
FY 15/16 Expenditures: Community Development and Services Summary

The below data represents posted expenditures in the General Fund and Quality of Life Fund from the Development and Sustainability Department and the Community Services Department.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 8,856	\$ 2,213	\$ 8,406

(In Thousands)

Community Development and Outreach - Expenditures



Housing and Community Development and Neighborhood Outreach/Animal Control was merged into one department called Community Services. The department is on track to the budget. For the Development Services Department, the year end estimate is lower compared to the budget as \$450K of the sustainability section that was moved to the department of Environmental Management and Sustainability was in the general fund.

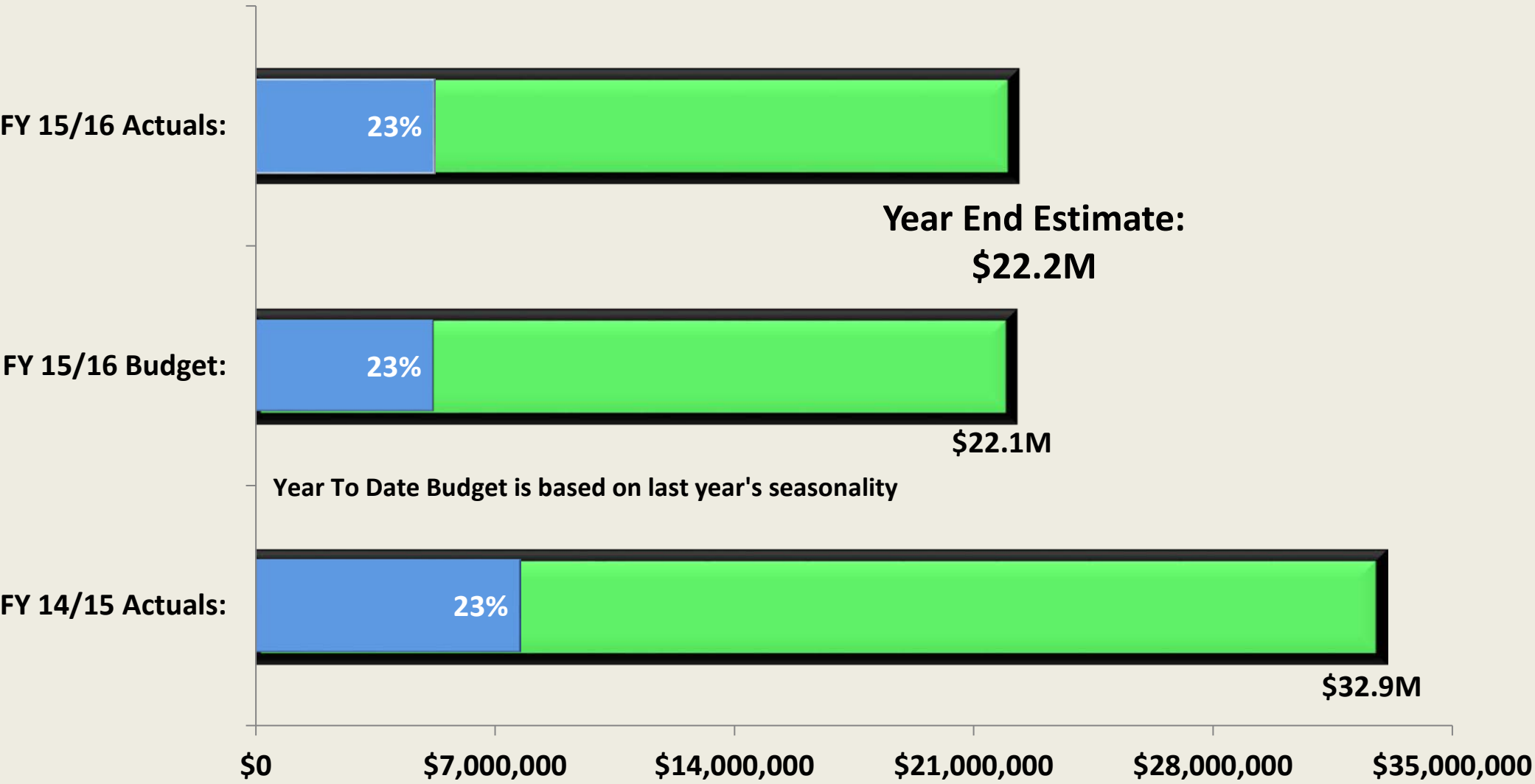
FY 15/16 Expenditures: Parks and Library Summary

The below data represents posted expenditures in the General Fund and Quality of Life Fund from the Arts and Culture Department, the Library Department, and the Parks, Recreation and Commercial Facilities Department.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 22,106	\$ 5,208	\$ 22,164

(In Thousands)

Parks, Library, and Culture - Expenditures



The expenditures for the Arts and Culture Department was moved out of the General Fund and into a new Arts and Culture Fund. This accounts for the difference in the total budget amount between fiscal years. Both remaining departments are on track for the budget.

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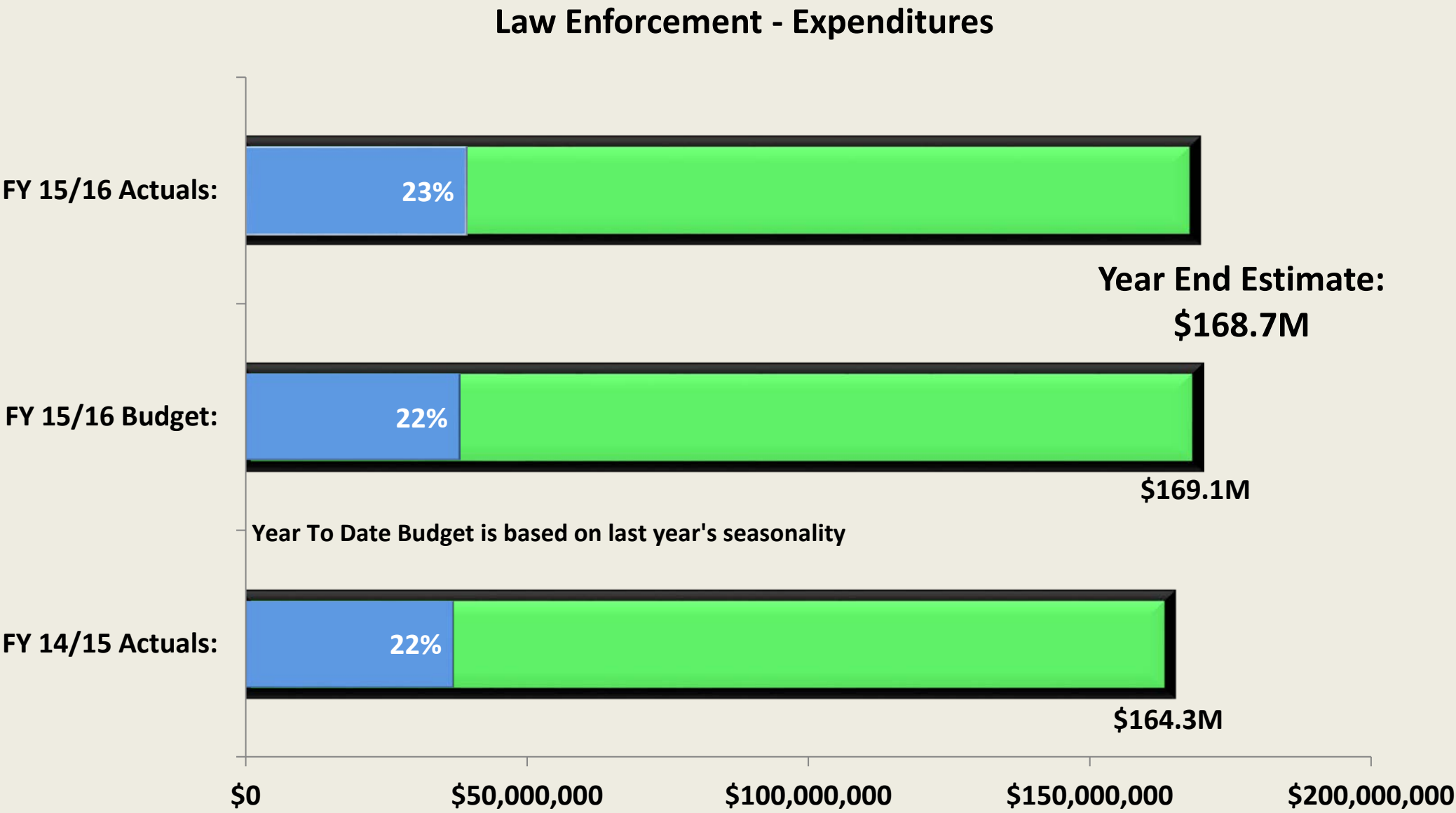
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FY 15/16 Expenditures: Law Enforcement Summary

The below data represents posted expenditures in the General Fund and Quality of Life Fund from the Police Department and the Municipal Court Department.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 169,100	\$ 39,060	\$ 168,681

(In Thousands)



Both departments are currently on track to the budget. The year end estimate for the Police Department was reduced by \$287K to take out items carried over to FY 15/16 but paid for in FY 14/15.

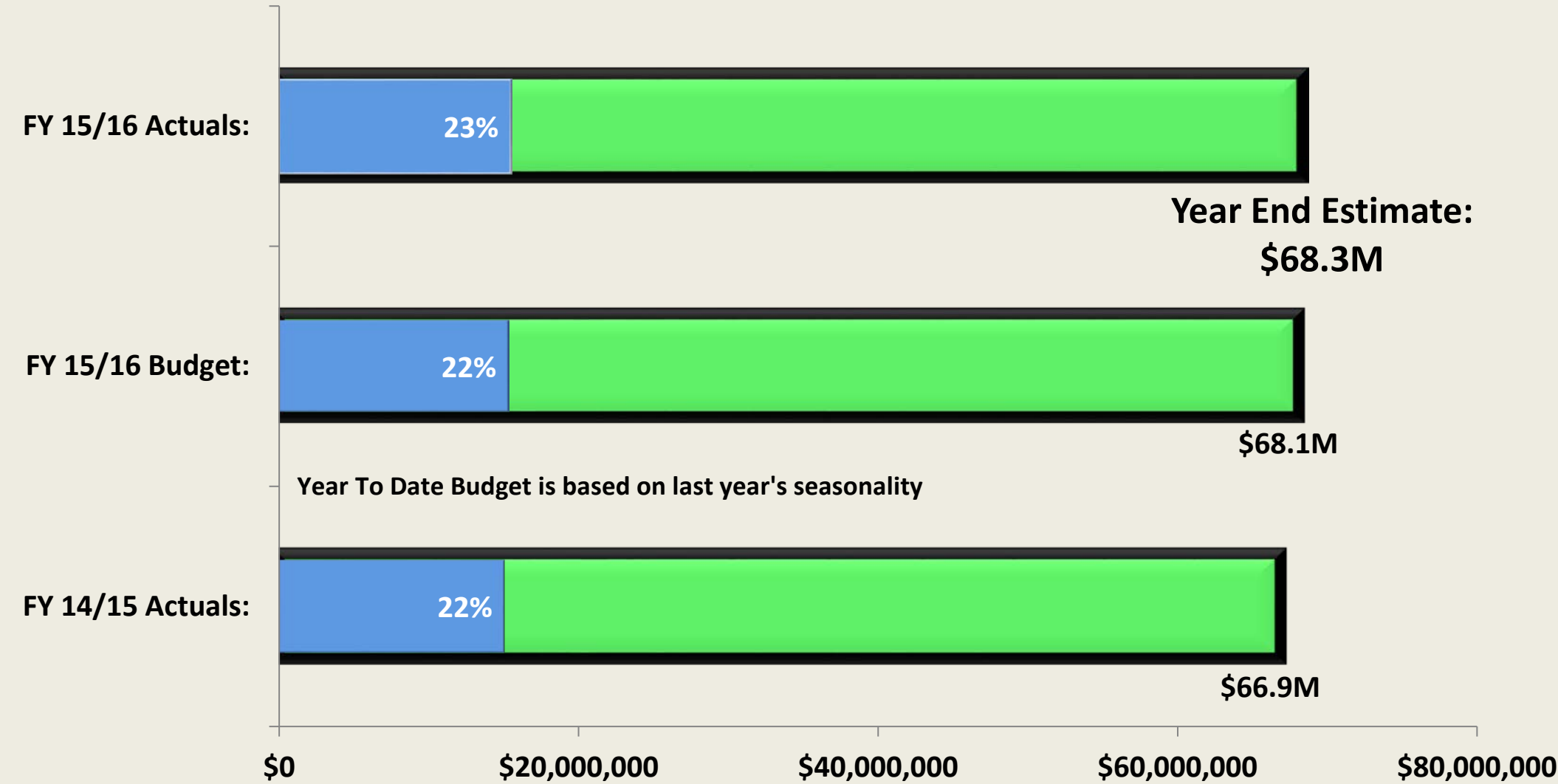
FY 15/16 Expenditures: Fire and Medical Summary

The below data represents posted expenditures in the General Fund and Quality of Life Fund from the Fire and Medical Department.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 68,071	\$ 15,446	\$ 68,306

(In Thousands)

Fire and Medical - Expenditures



The year end estimate is higher compared to the budget as the department submitted a contingency to support an additional 7 recruits for the October 2015 academy. Aside from the additional costs for the new recruits, the department is on track compared to the budget.

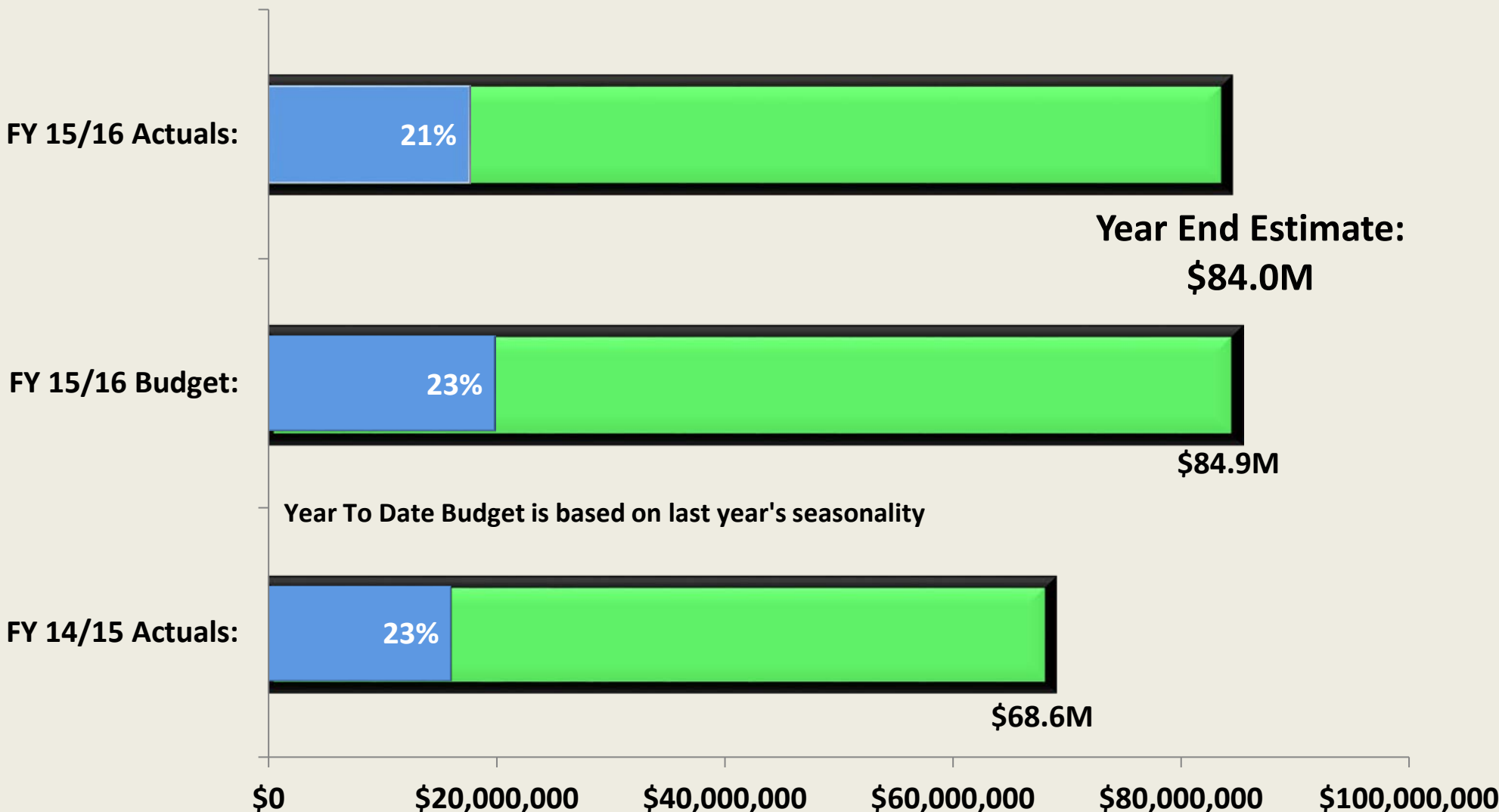
FY 15/16 Expenditures: Other Departments Summary

The below data represents posted expenditures in the General Fund and Quality of Life Fund from the departments of the Mayor and Council, the City Manager, the City Clerk, the City Auditor, the City Attorney, Public Information and Communications, Economic Development, Office of Management and Budget, Financial Services, Business Services, Human Resources, Fleet Services, Engineering, Facilities and Maintenance, Communications, Energy Resources, Water Resources, Environmental Management and Sustainability, Falcon Field Airport, Transit Services, Transportation, Office of ERP Management, and Centralized Appropriations.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 84,885	\$ 17,561	\$ 83,968

(In Thousands)

Other Departments - Expenditures



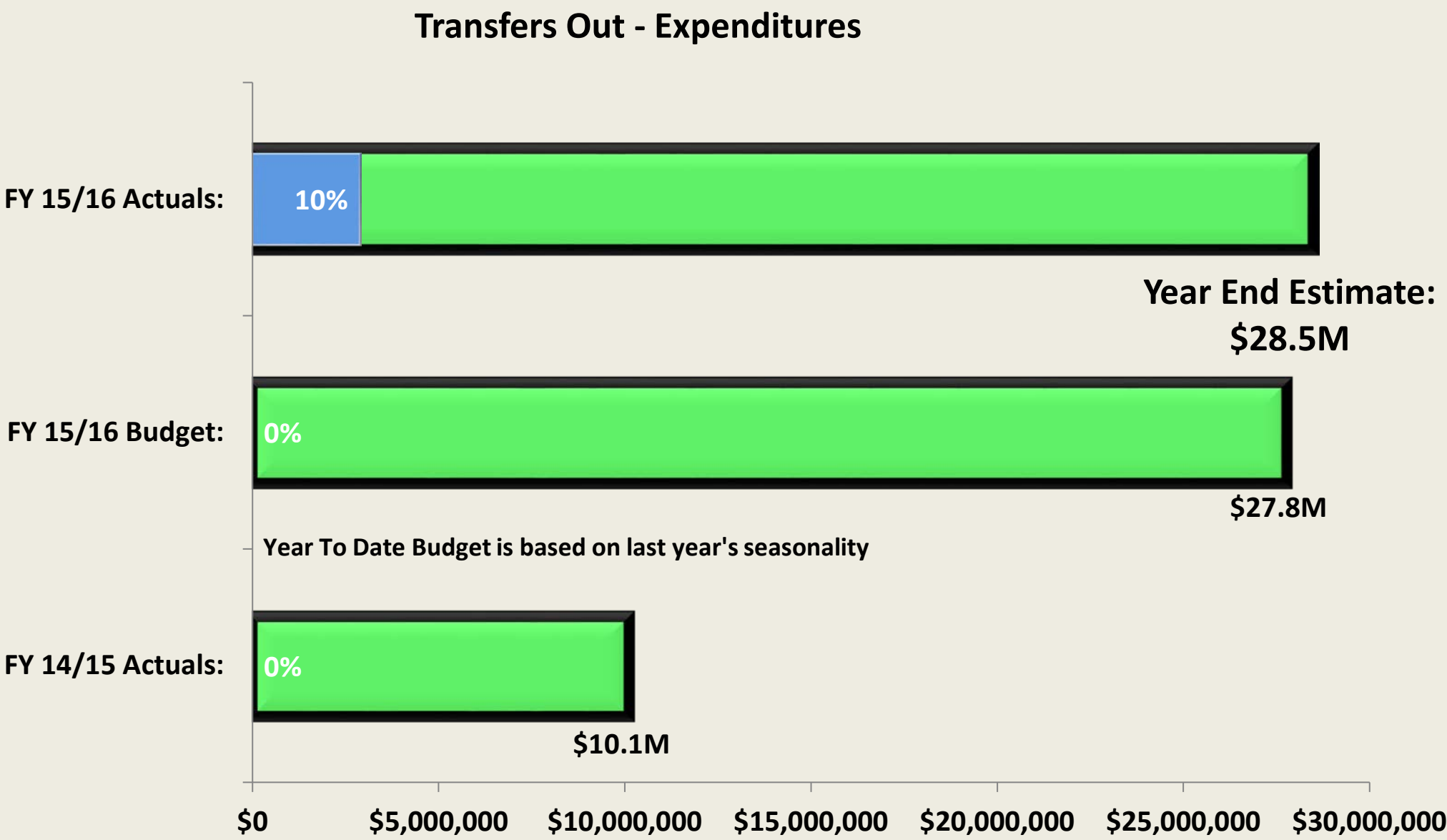
All departments are below the budget for their year end estimate. Information Technology, Facilities Maintenance and Office of ERP Management were reduced to take out items carried over to FY 15/16 but paid for in FY 14/15.

FY 15/16 Expenditures: Transfers Out Summary

The data below represents transfers out of the General Fund and Quality of Life Fund to the Vehicle Replacement Fund, Capital - General Fund, Impact Fees Funds, General Obligation Debt and Transit Fund.

Adopted Budget	Year to Date Actuals	Year End Estimate
\$ 27,761	\$ 2,873	\$ 28,471

(In Thousands)



When the new Arts and Culture Fund was set up in FY 15/16, the city contribution was reclassified from a general fund expense to a general fund transfer. This accounts for \$8.9M of the transfer in FY 15/16.

The FY 15/16 transfer related to Transit expenses includes a full year of operations and maintenance for the Central Mesa Light Rail extension that is not included in the FY 14/15 actual transfer. In FY 14/15, additional funds were available from some accumulated reserves as well as receipt of an early reconciliation payment from Valley Metro.

This increase in the year end estimate is based on the addition of FY 14/15 items that were missed in being carried over to FY 15/16.

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Enterprise Fund

Utility Net Sources and Uses	Adopted Budget	Year to Date Actuals	Year End Estimate
Electric	\$ 1,913	\$ 3,452	\$ 2,190
Natural Gas	\$ 2,105	\$ (31)	\$ 2,066
Solid Waste	\$ (6,046)	\$ 2,013	\$ (5,001)
Wastewater	\$ 3,685	\$ 3,051	\$ 3,535
Water	\$ (539)	\$ 9,281	\$ (827)
Total	\$ 1,118	\$ 17,765	\$ 1,963

Other/Non-Utility Net Sources and Uses	Adopted Budget	Year to Date Actuals	Year End Estimate
Convention Center	\$ (2,356)	\$ (197)	\$ (2,555)
Cubs/Sloan Park	\$ (1,350)	\$ (272)	\$ (1,345)
District Cooling	\$ 347	\$ 240	\$ 347
Golf Course	\$ (822)	\$ (400)	\$ (487)
Hohokam	\$ (1,526)	\$ (218)	\$ (1,481)
Total	\$ (5,706)	\$ (848)	\$ (5,523)

Total Enterprise Fund	\$ (4,587)	\$ 16,917	\$ (3,559)
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(In Thousands)

Exceeding
On Track
Caution
Monitoring

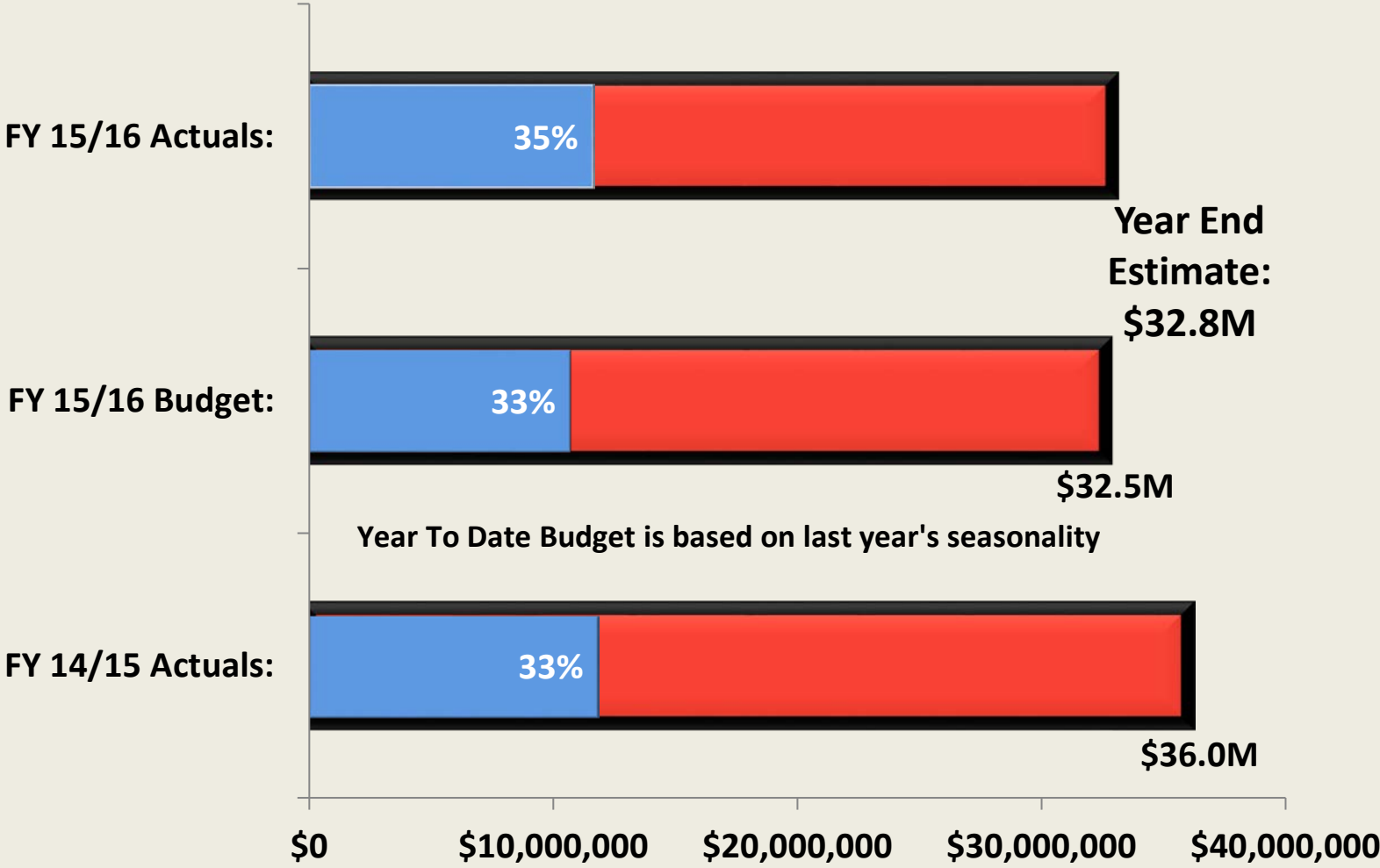
Electric Summary

The data below represents financial information for the Enterprise Fund for the Electric sub-fund . Both direct (Energy Resources Department) and indirect (citywide administration) expenses are included.

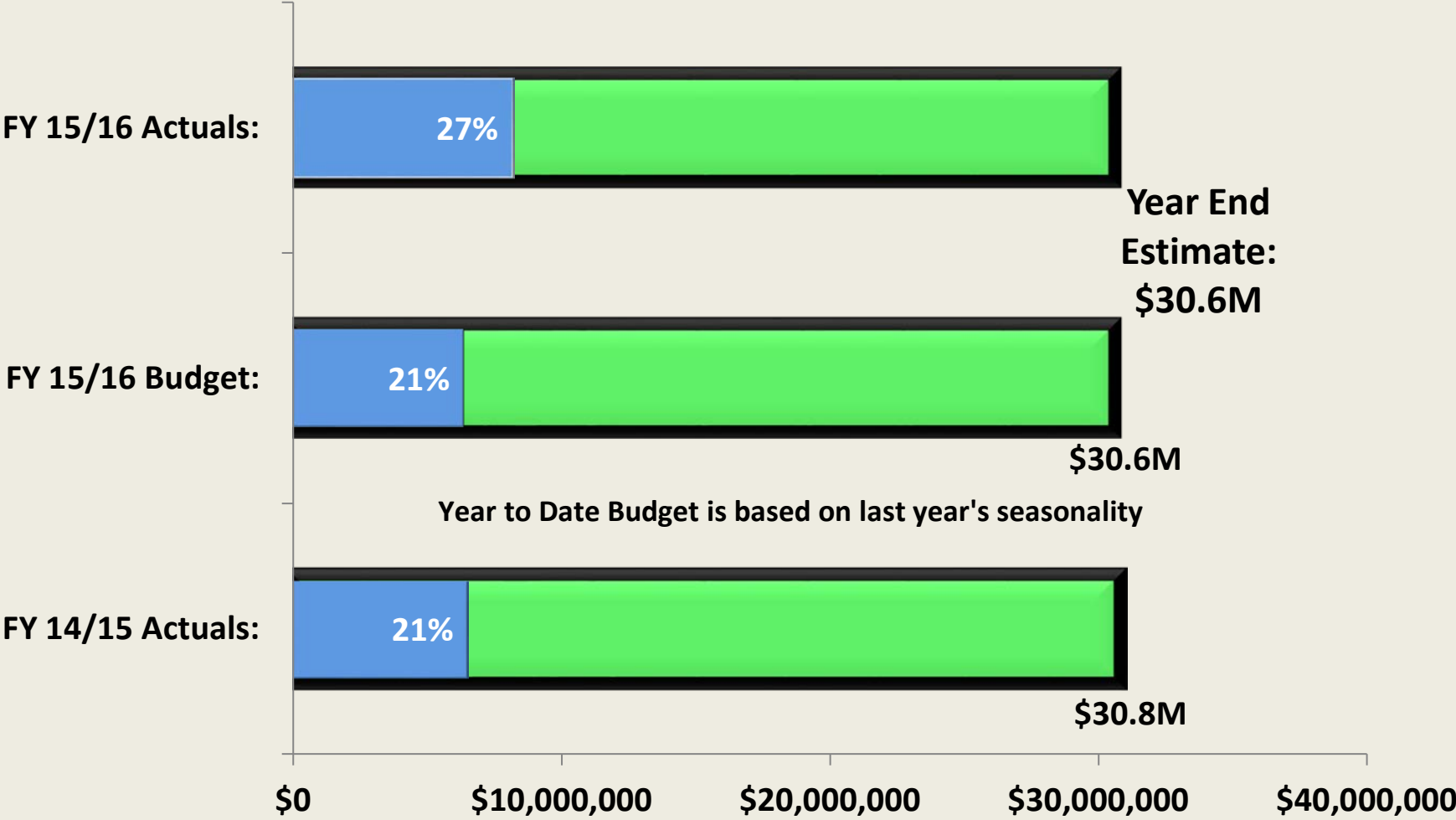
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 32,509	\$ 11,603	\$ 32,784
Uses	\$ 22,399	\$ 6,070	\$ 22,396
Debt/Capital Transfers Out	\$ 1,894	\$ 505	\$ 1,894
General Fund Transfers Out	\$ 6,304	\$ 1,576	\$ 6,304
Net Sources and Uses	\$ 1,913	\$ 3,452	\$ 2,190

(In Thousands)

Electric - Sources



Electric - Uses and Transfers



All components are on track. The difference in the rate of expenditures is due to moving from an annual transfer to the general fund to a quarterly transfer.

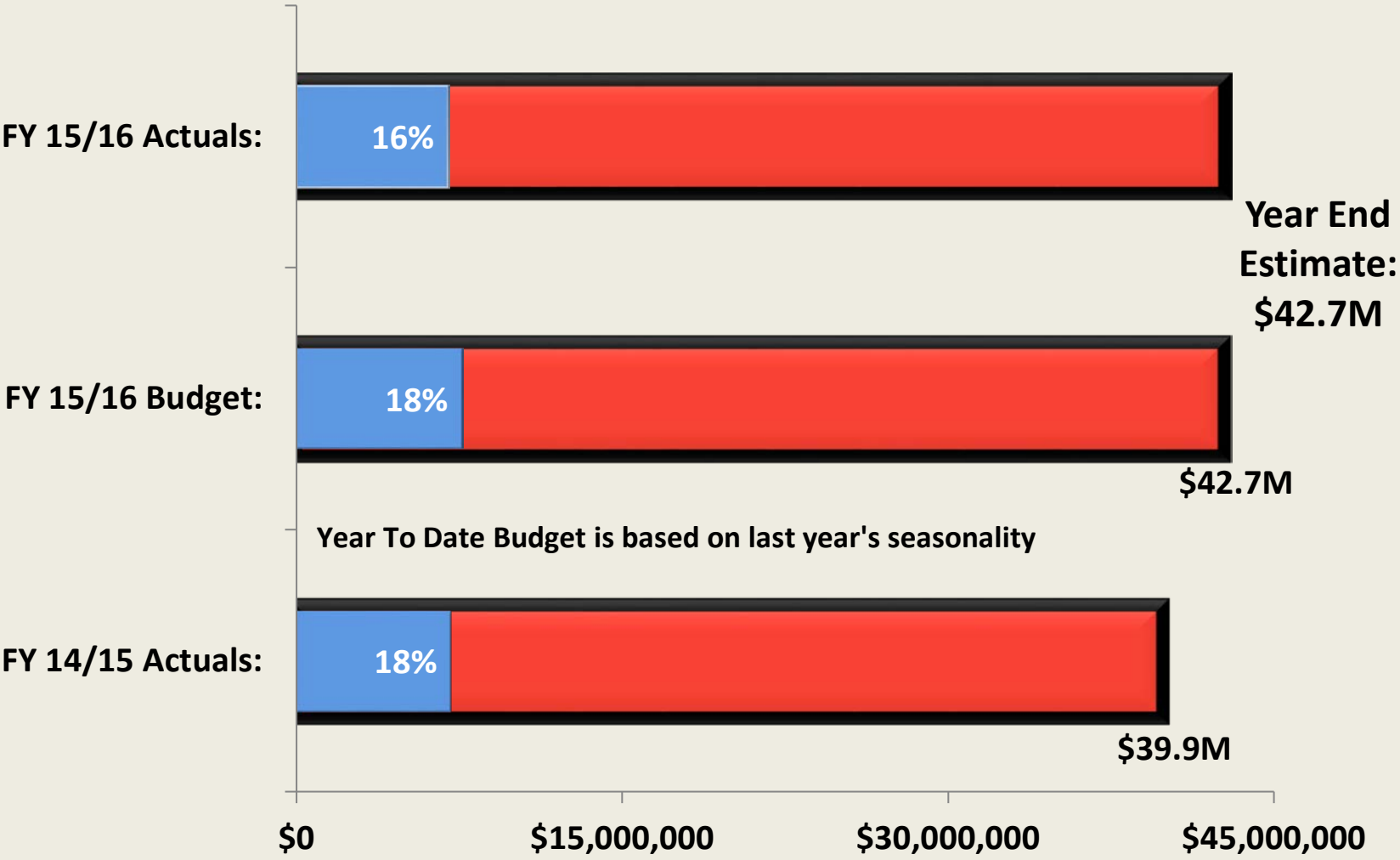
Natural Gas Summary

The data below represents financial information for the Enterprise Fund for the Natural Gas sub-fund . Both direct (Energy Resources Department) and indirect (citywide administration) expenses are included.

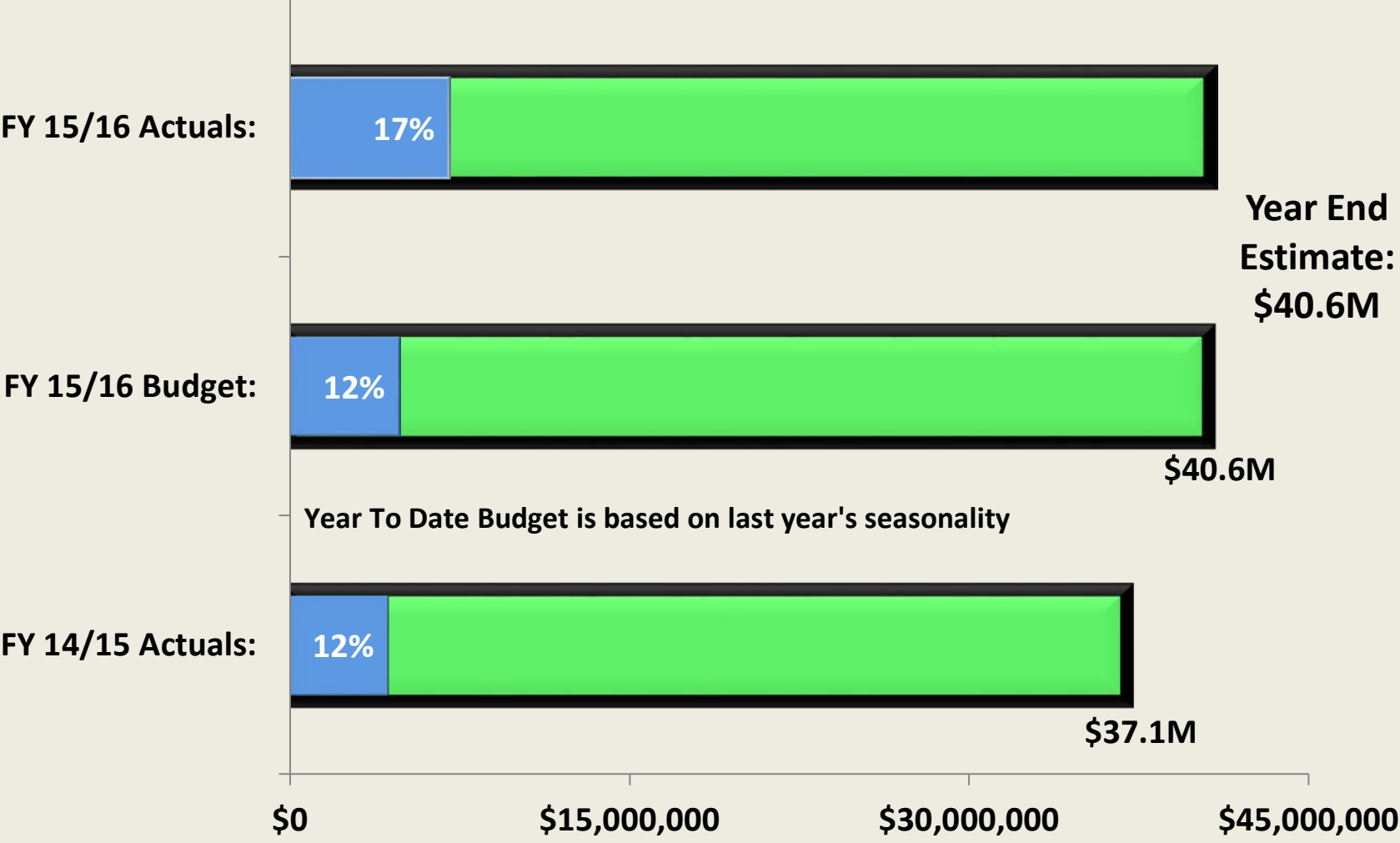
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 42,693	\$ 6,972	\$ 42,714
Uses	\$ 27,320	\$ 3,839	\$ 27,379
Debt/Capital Transfers Out	\$ 5,735	\$ 1,280	\$ 5,735
General Fund Transfers Out	\$ 7,533	\$ 1,883	\$ 7,533
Net Sources and Uses	\$ 2,105	\$ (31)	\$ 2,066

(In Thousands)

Natural Gas - Sources



Natural Gas - Uses and Transfers



All components are on track. The difference in the rate of expenditures is due to moving from an annual transfer to the general fund to a quarterly transfer.

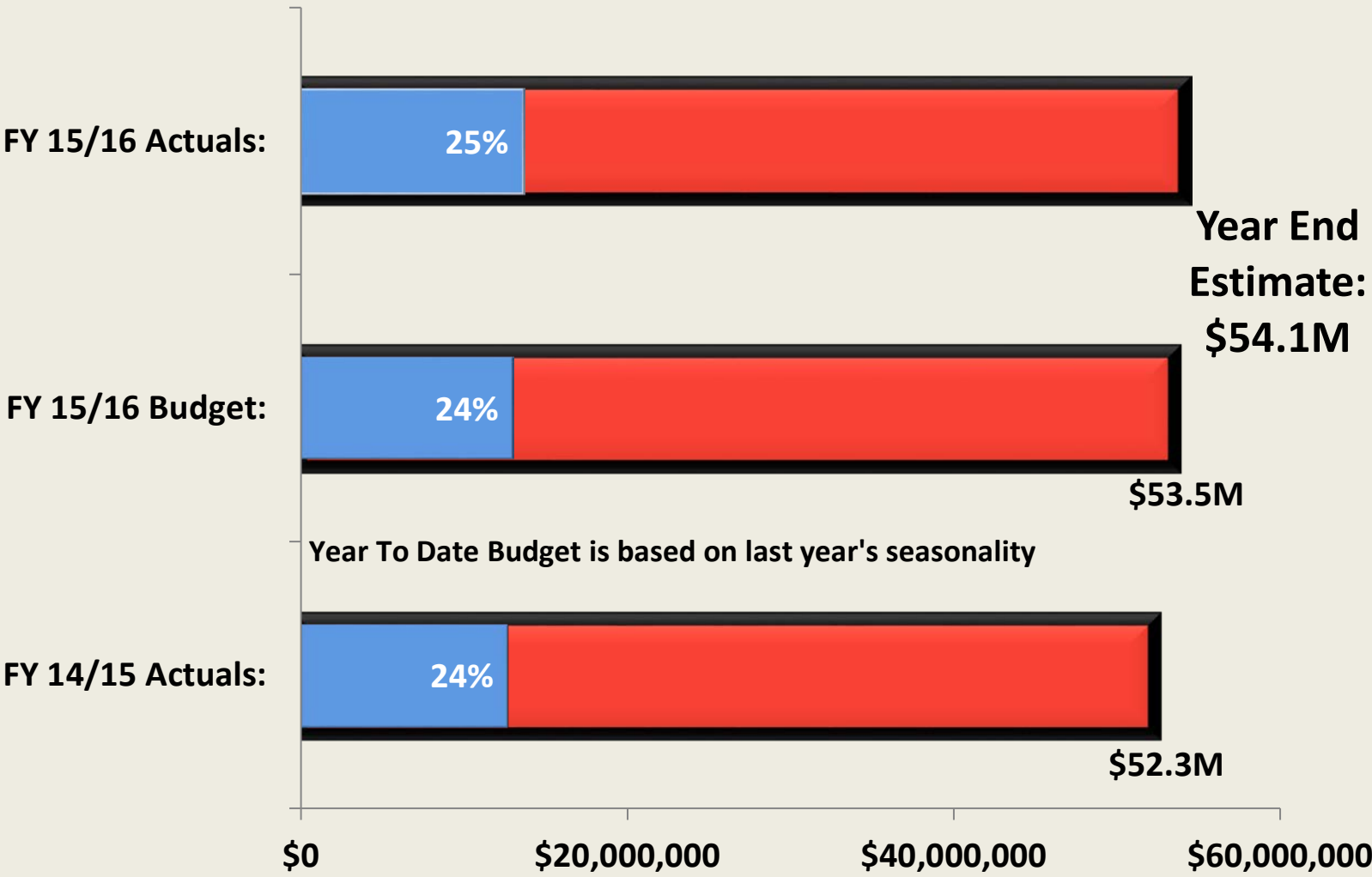
Solid Waste Summary

The data below represents financial information from the Enterprise Fund for Solid Waste sub fund. Both direct (Solid Waste Department) and indirect (citywide administration) expenses are included.

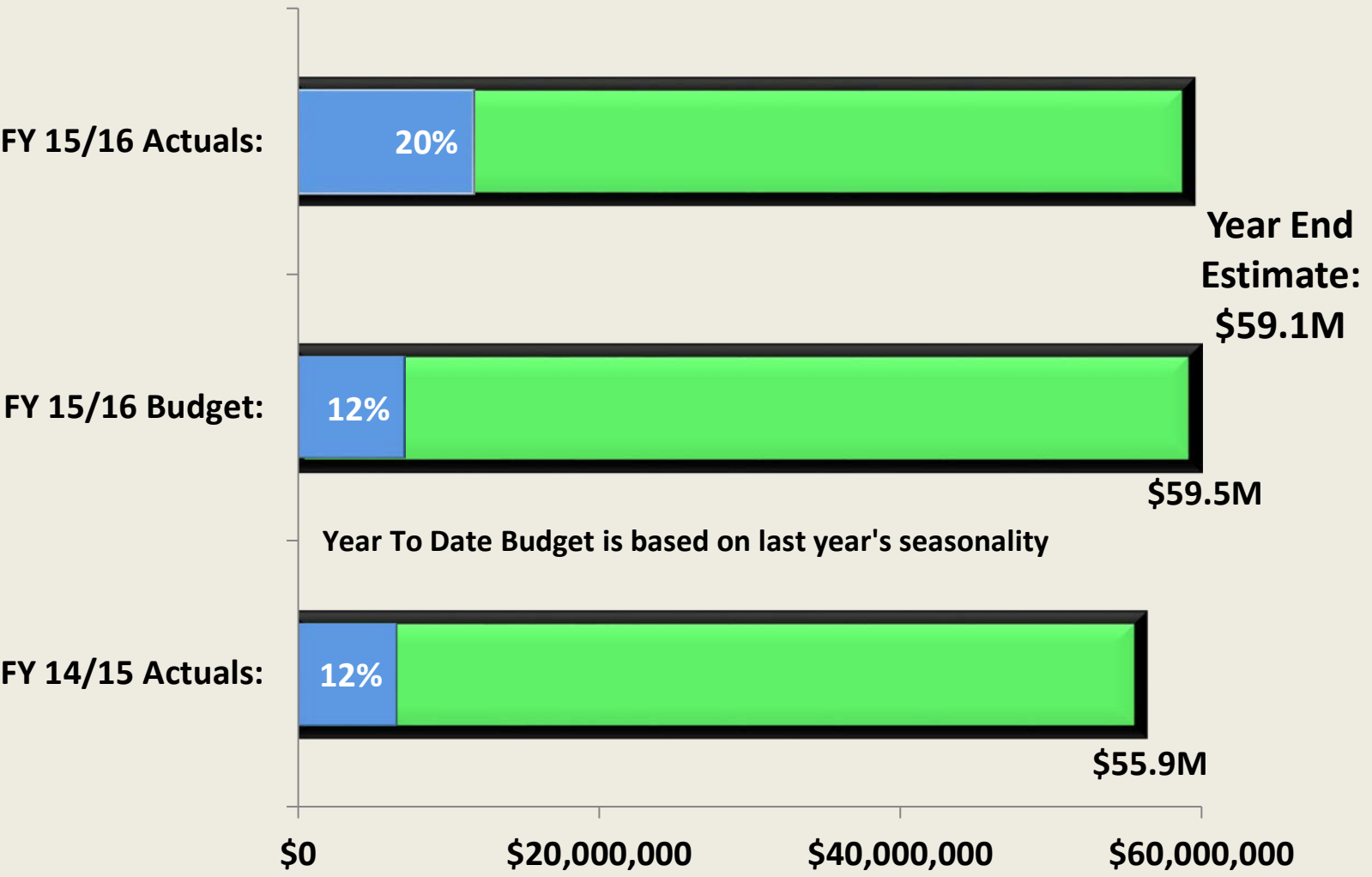
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 53,503	\$ 13,580	\$ 54,118
Uses	\$ 34,385	\$ 6,058	\$ 33,955
Debt/Capital Transfers Out	\$ 4,356	\$ 307	\$ 4,356
General Fund Transfers Out	\$ 20,807	\$ 5,202	\$ 20,807
Net Sources and Uses	\$ (6,046)	\$ 2,013	\$ (5,001)

(In Thousands)

Solid Waste - Sources



Solid Waste - Uses and Transfers



The net year end estimate for revenue is up slightly due to increased projected residential activity of \$980K and decreased recycling revenue of \$300K. The expenditures year end estimate has been adjusted to account for carryover for the CNG station payment and lease that was already paid for in FY 14/15 and adjustments to the lifecycle projects for bins and roll-offs. The difference in the rate of expenditures is due to moving from an annual transfer to the general fund to a quarterly transfer.

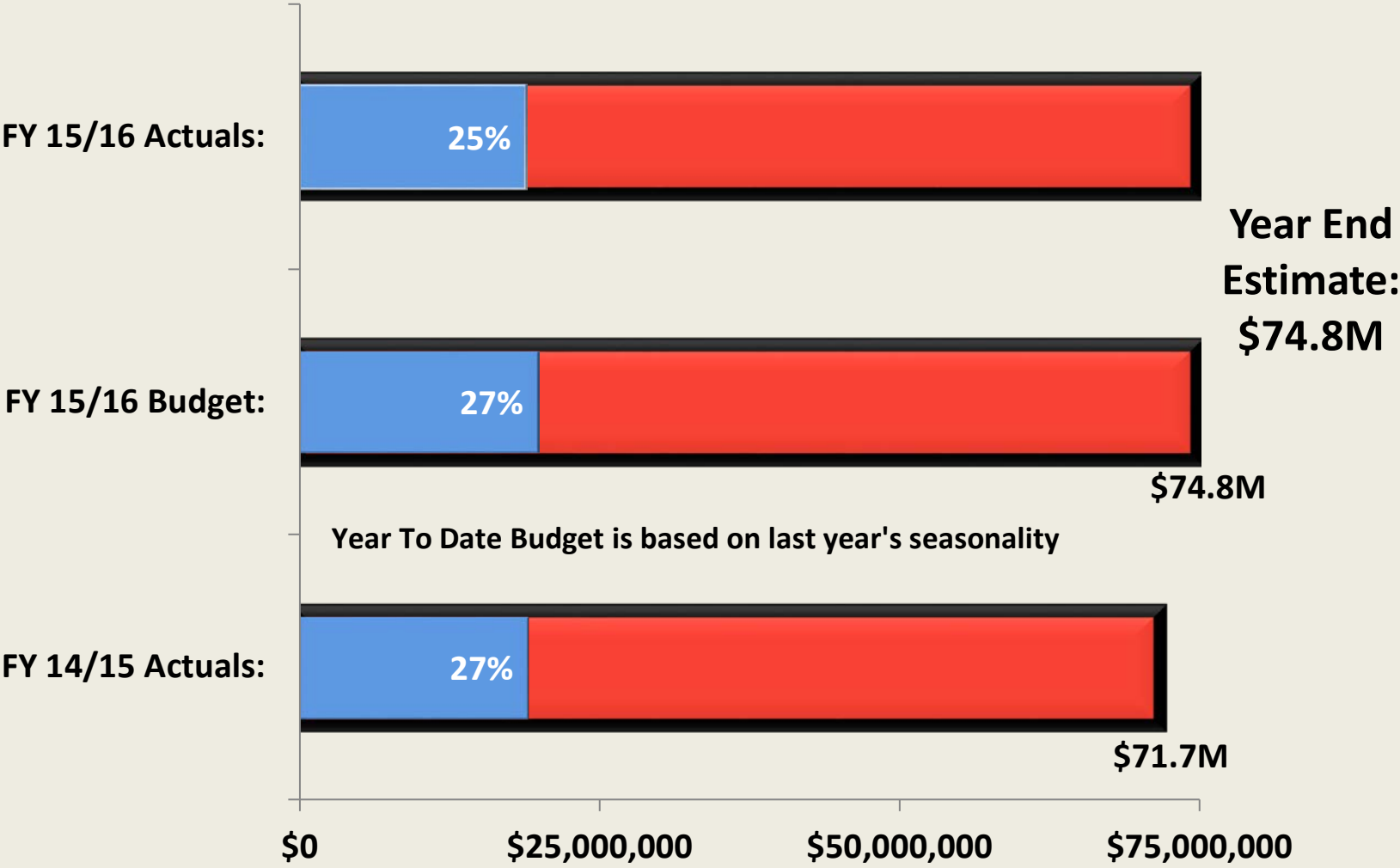
Wastewater Summary

The data below represents financial information from the Enterprise Fund for the Wastewater Sub-fund. Both direct (Water Resources Department) and indirect (citywide administration) expenses are included.

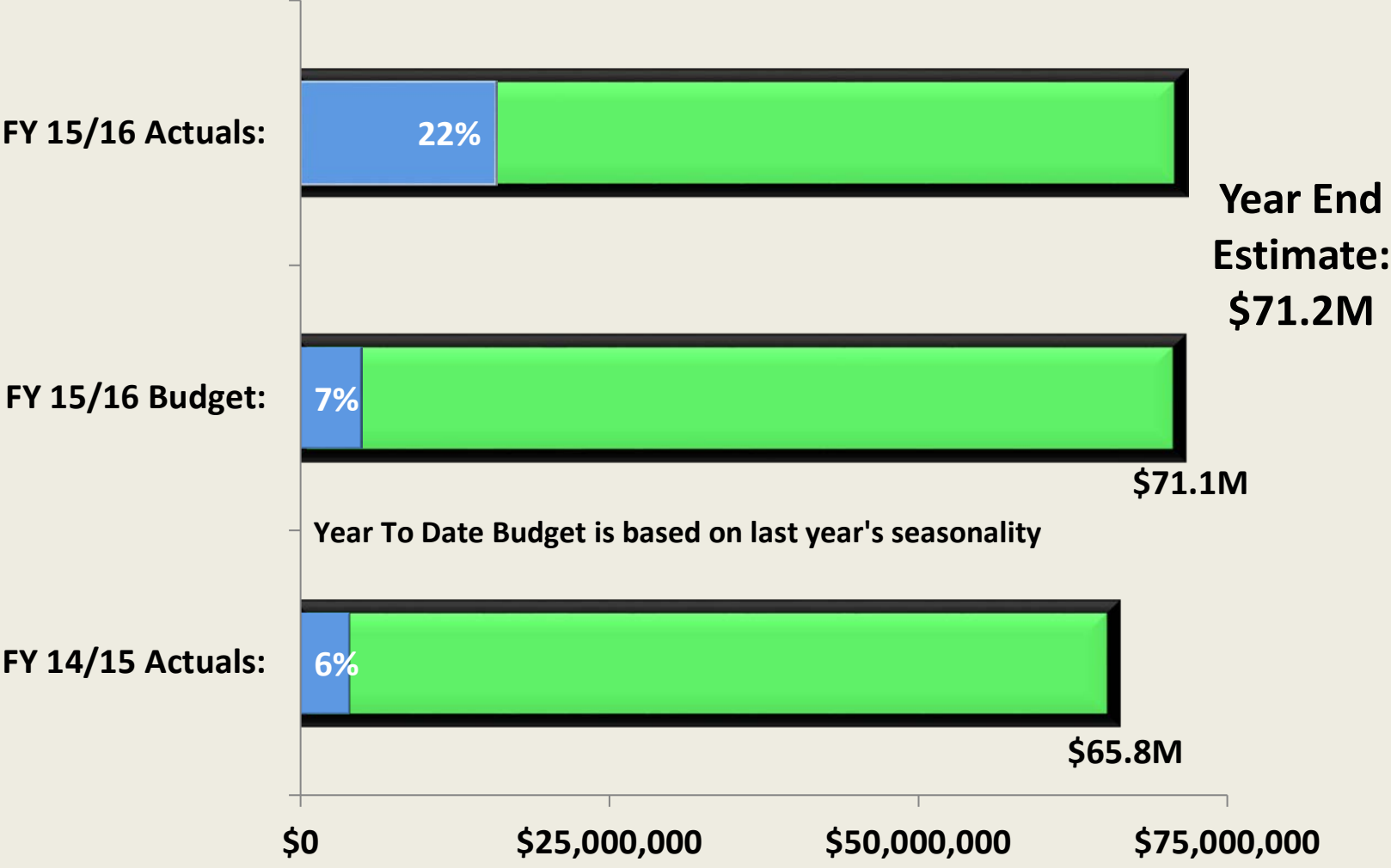
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 74,777	\$ 18,799	\$ 74,777
Uses	\$ 25,871	\$ 4,538	\$ 26,021
Debt/Capital Transfers Out	\$ 32,038	\$ 7,914	\$ 32,038
General Fund Transfers Out	\$ 13,184	\$ 3,296	\$ 13,184
Net Sources and Uses	\$ 3,685	\$ 3,051	\$ 3,535

(In Thousands)

Wastewater - Sources



Wastewater - Uses and Transfers



All components are on track. The difference in the rate of expenditures is due to moving from an annual transfer to the general fund to a quarterly transfer.

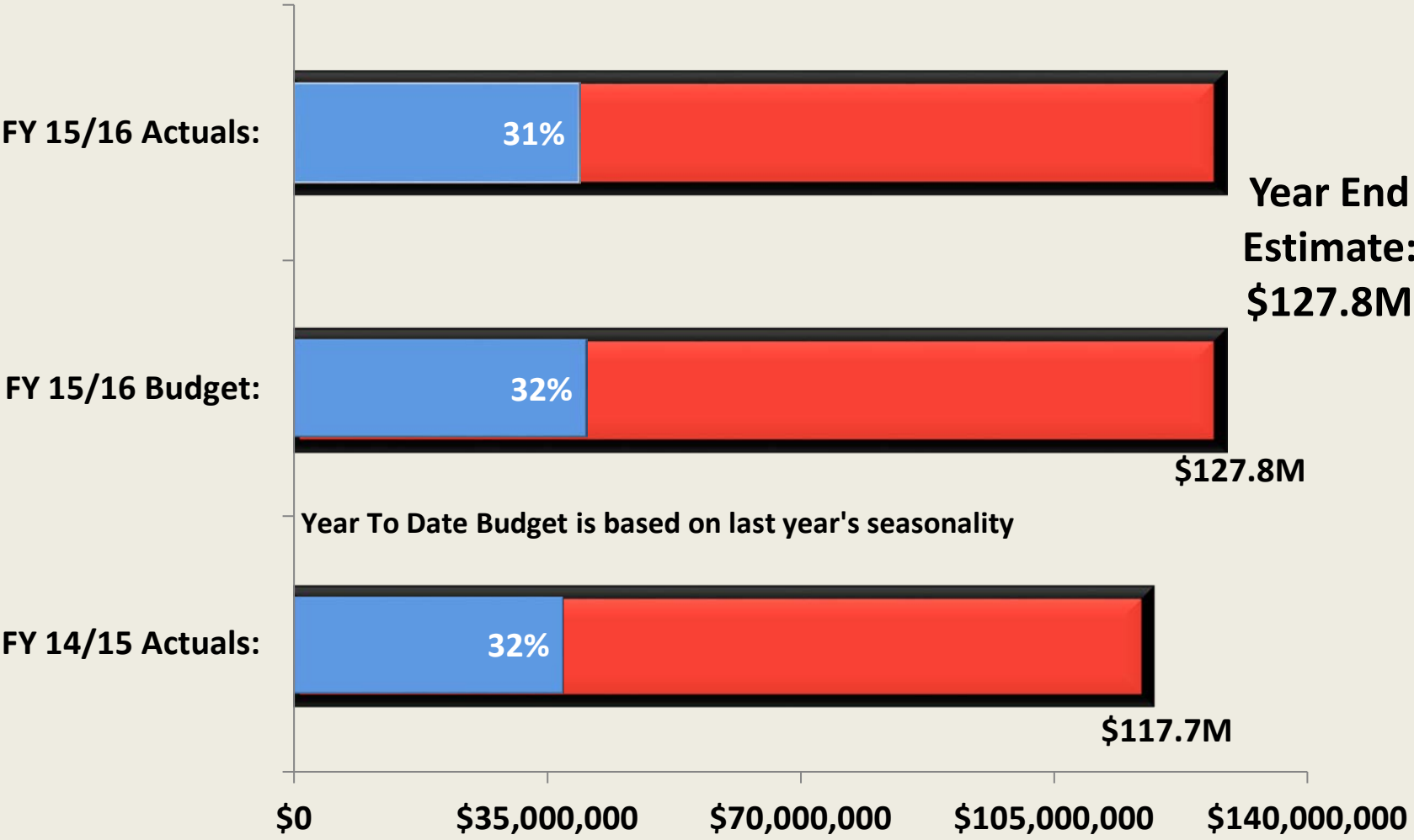
Water Summary

The data below represents financial information from the Enterprise Fund for the Water Sub-fund. Both direct (Water Resources Department) and indirect (citywide administration) expenses are included.

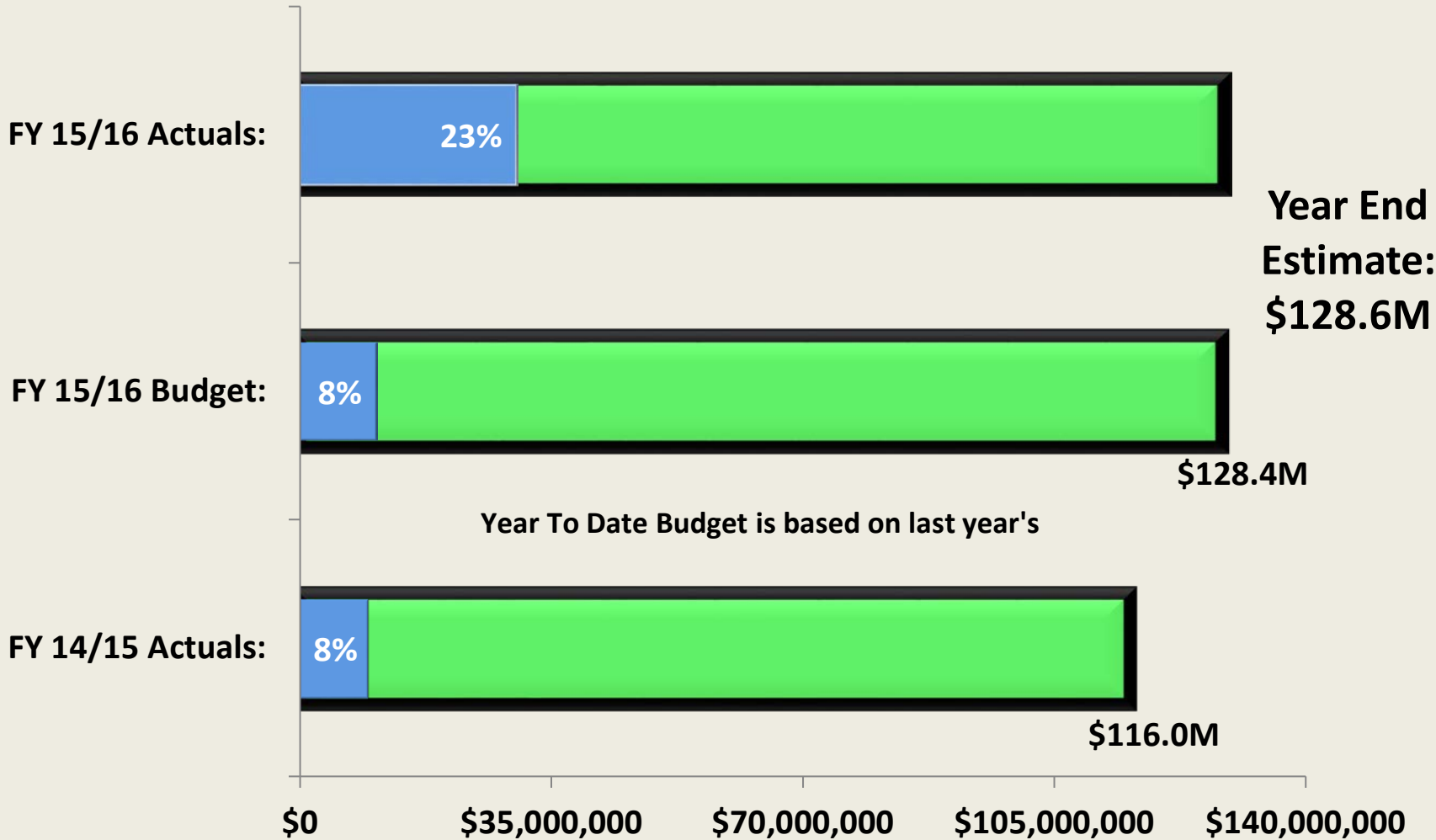
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 127,821	\$ 39,319	\$ 127,821
Uses	\$ 42,540	\$ 9,600	\$ 42,828
Debt/Capital Transfers Out	\$ 33,976	\$ 7,477	\$ 33,976
General Fund Transfers Out	\$ 51,844	\$ 12,961	\$ 51,844
Net Sources and Uses	\$ (539)	\$ 9,281	\$ (827)

(In Thousands)

Water - Sources



Water - Uses and Transfers



The expenditure year end estimate is slightly above budget due to additional costs for the E-bill incentive; all other expenditures are on track to budget. The difference in the rate of expenditures is due to moving from an annual transfer to the general fund to a quarterly transfer.

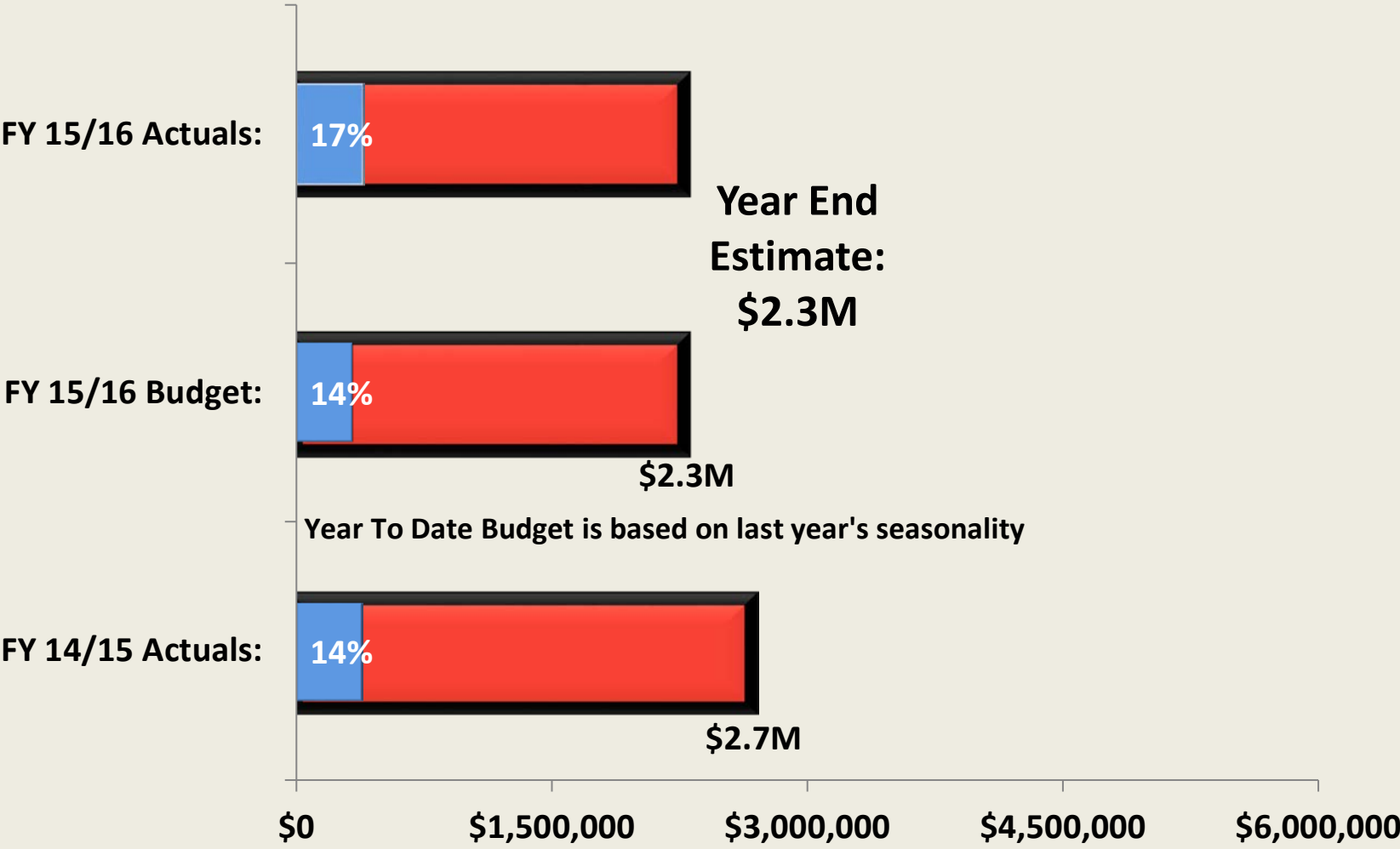
Convention Center Summary

The data below represents financial information from the Enterprise Fund for the Convention Center. Both direct (Parks, Recreation and Commercial Facilities Department) and indirect (citywide administration) expenses are included.

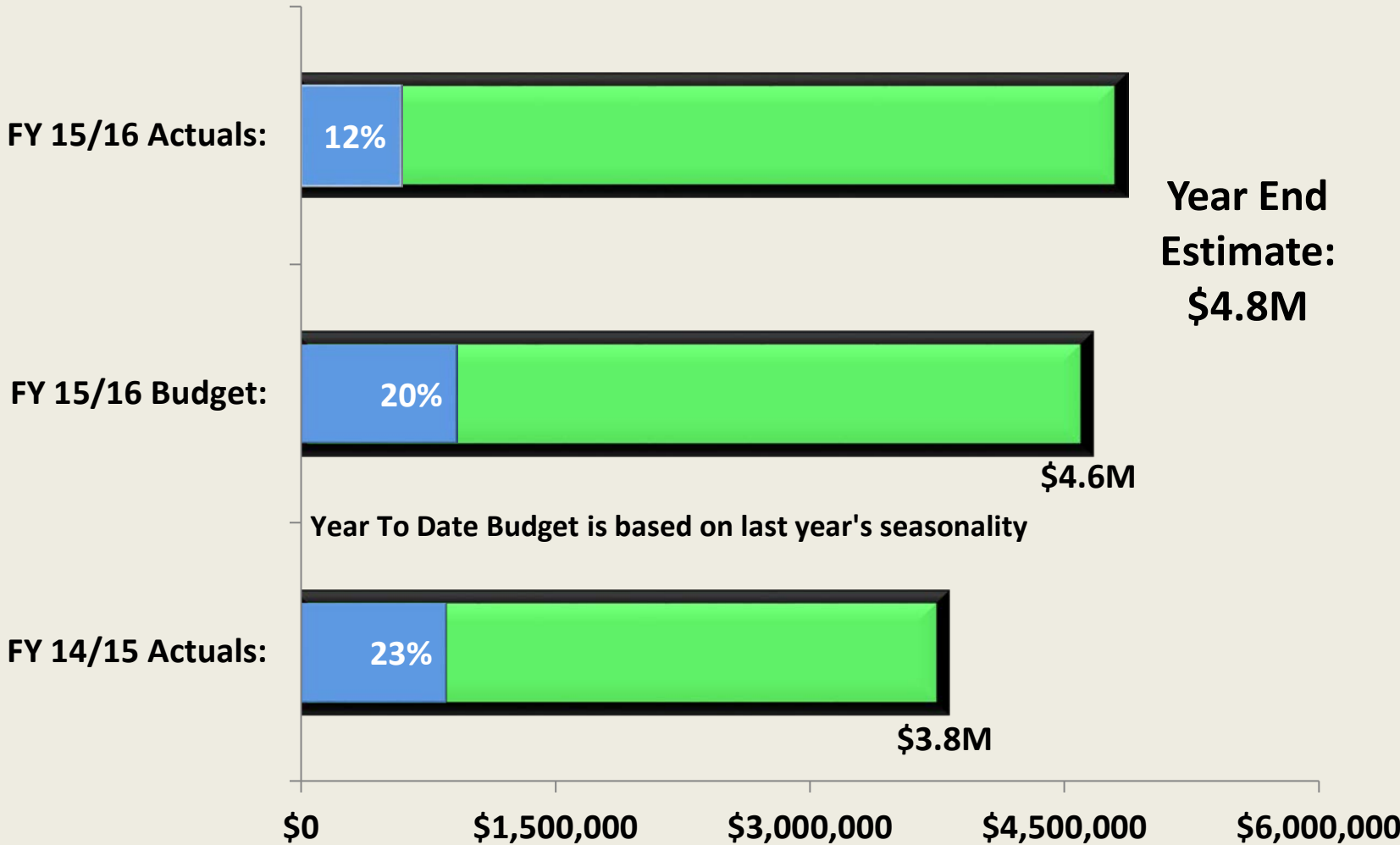
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 2,273	\$ 386	\$ 2,273
Uses	\$ 3,700	\$ 582	\$ 3,900
Debt/Capital Transfers Out	\$ 929	\$ -	\$ 929
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ (2,356)	\$ (197)	\$ (2,555)

(In Thousands)

Convention Center - Sources



Convention Center - Uses and Transfers



All components are on track to budget.

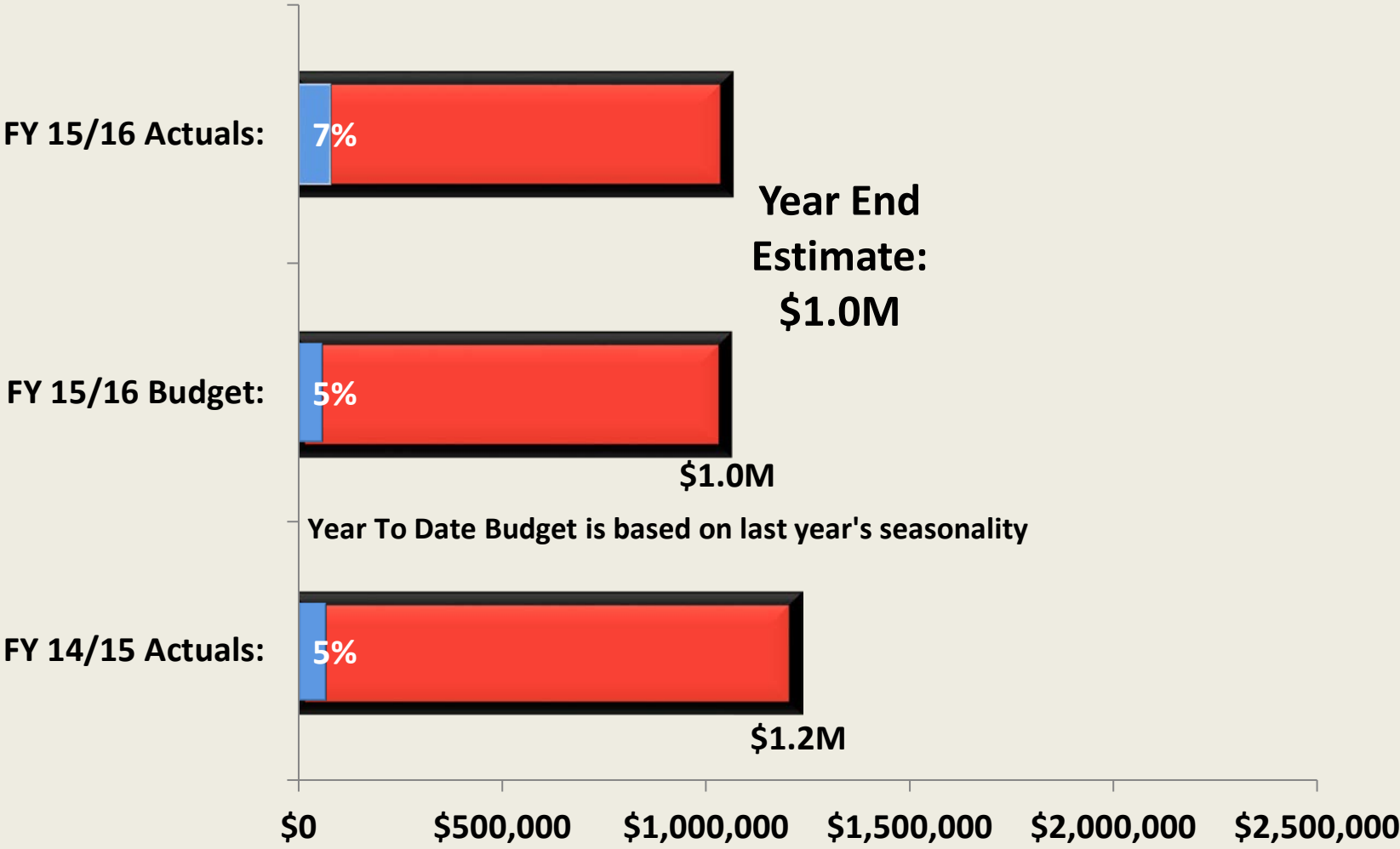
Cubs/Sloan Park Summary

The data below represents financial information from the Enterprise Fund for the Cubs/Sloan Park. Both direct (Parks, Recreation and Commercial Facilities Department) and indirect (citywide administration) expenses are included.

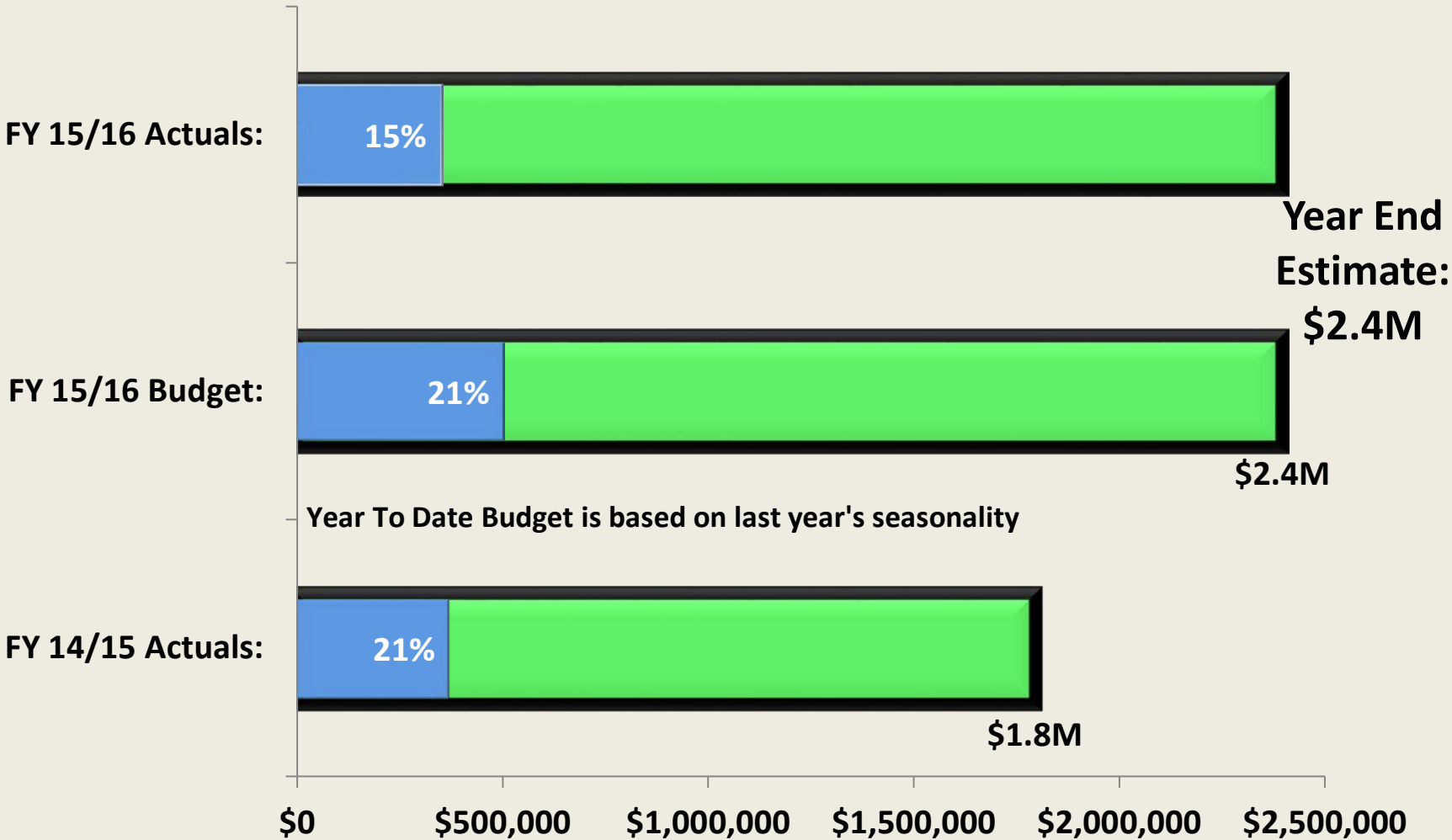
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 1,044	\$ 76	\$ 1,048
Uses	\$ 2,269	\$ 348	\$ 2,269
Debt/Capital Transfers Out	\$ 125	\$ -	\$ 125
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ (1,350)	\$ (272)	\$ (1,345)

(In Thousands)

Cubs/Sloan Park - Sources



Cubs/Sloan Park - Uses and Transfers



All components are on track to budget.

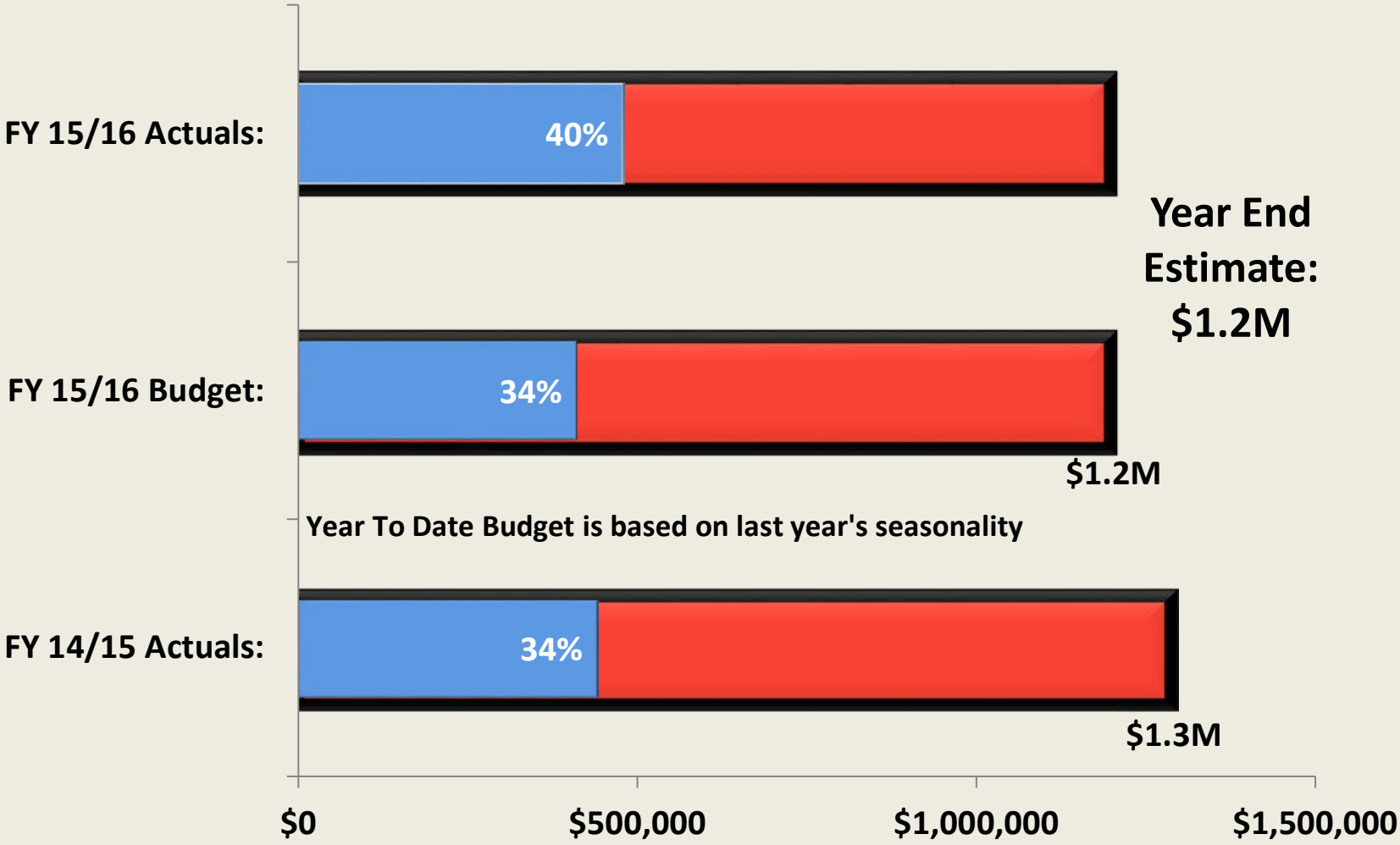
District Cooling Summary

The data below represents financial information from the Enterprise Fund for District Cooling. Both direct (Facilities Maintenance Department) and indirect (citywide administration) expenses are included.

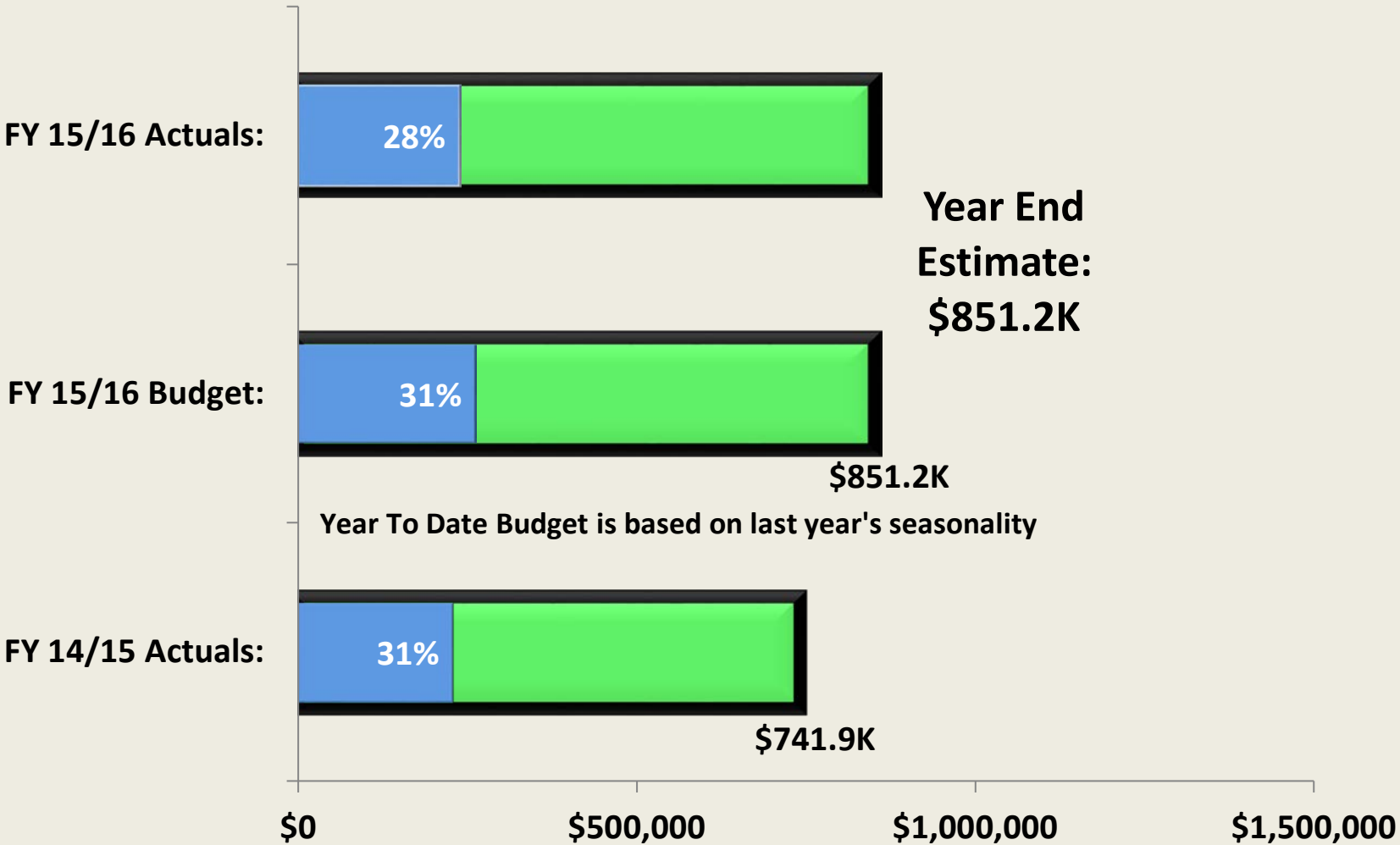
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 1,198	\$ 478	\$ 1,198
Uses	\$ 850	\$ 238	\$ 850
Debt/Capital Transfers Out	\$ 1	\$ -	\$ 1
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ 347	\$ 240	\$ 347

(In Thousands)

District Cooling - Sources



District Cooling - Uses and Transfers



All components are on track to budget.

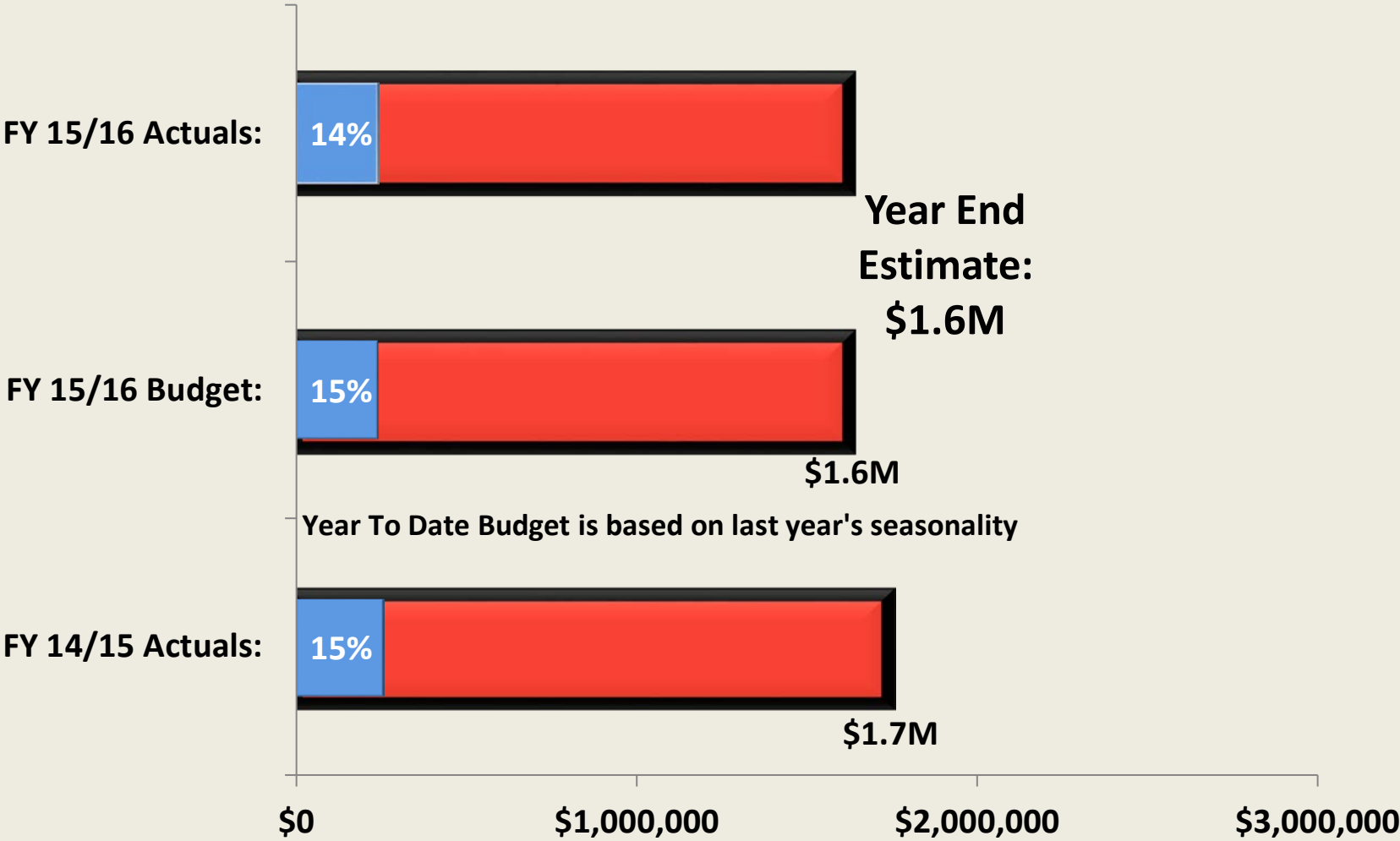
Golf Course Summary

The data below represents financial information from the Enterprise Fund for the Golf Course. Both direct (Parks, Recreation and Commercial Facilities Department) and indirect (citywide administration) expenses are included.

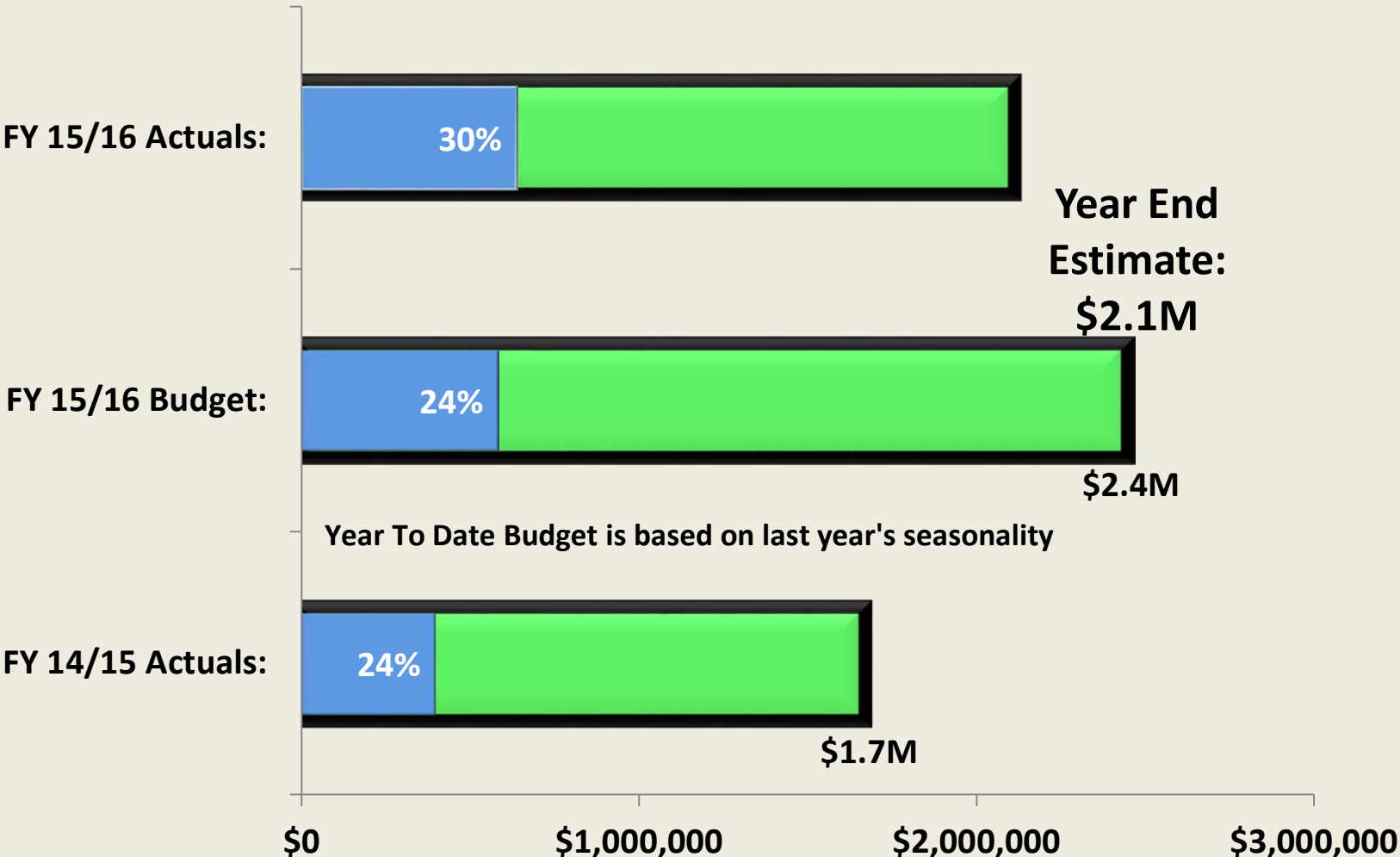
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 1,626	\$ 235	\$ 1,626
Uses	\$ 2,388	\$ 622	\$ 2,053
Debt/Capital Transfers Out	\$ 60	\$ 14	\$ 60
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ (822)	\$ (400)	\$ (487)

(In Thousands)

Golf Course - Sources



Golf Course - Uses and Transfers



The year end expenditure estimate is \$310K below budget due the movement of funds to the Enterprise Capital Fund to complete various improvements on the Golf Course.

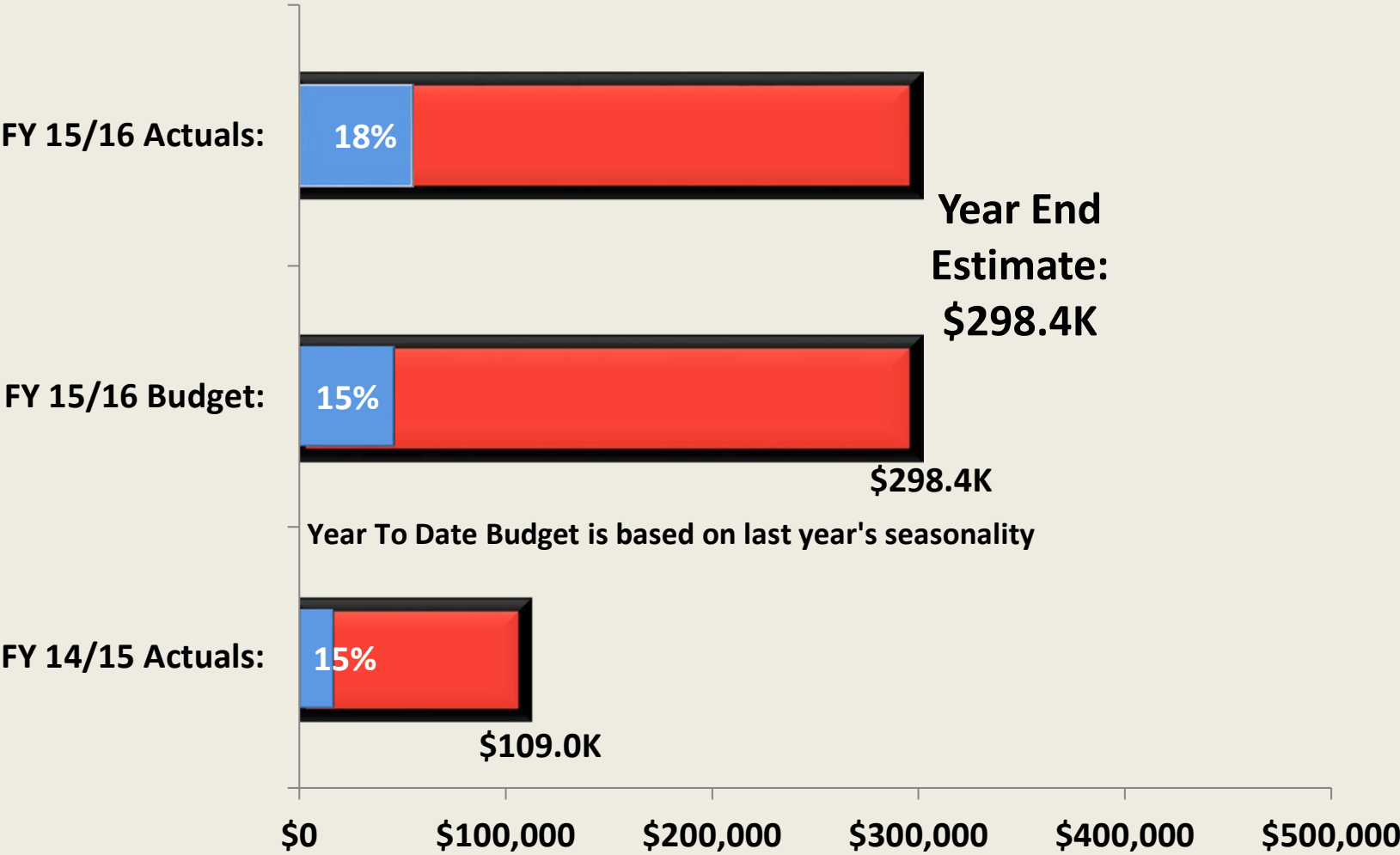
Hohokam Summary

The data below represents financial information from the Enterprise Fund for the Hohokam stadium. Both direct (Parks, Recreation and Commercial Facilities Department) and indirect (citywide administration) expenses are included.

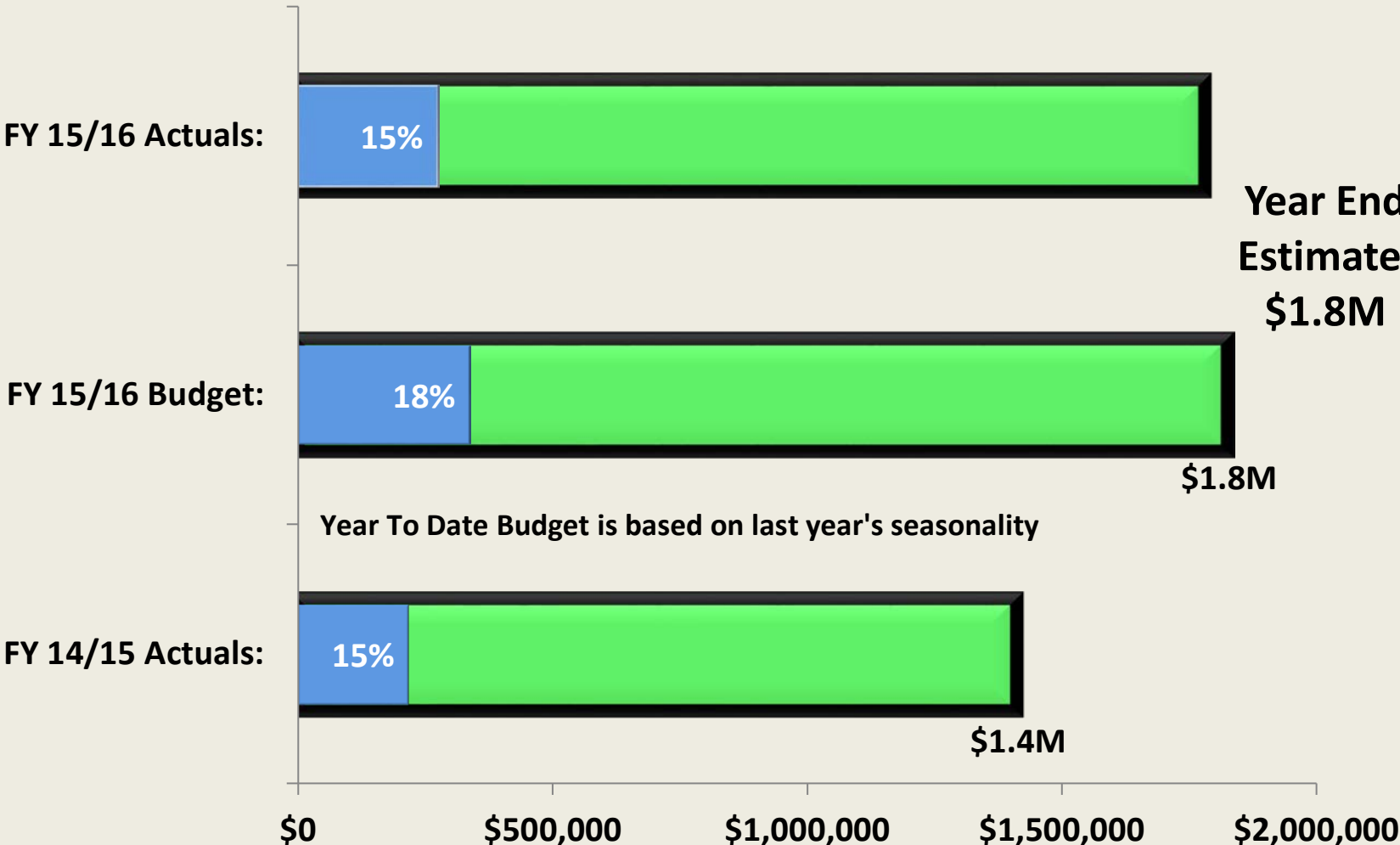
	Adopted Budget	Year to Date Actuals	Year End Estimate
Sources	\$ 298	\$ 54	\$ 298
Uses	\$ 1,671	\$ 273	\$ 1,652
Debt/Capital Transfers Out	\$ 153	\$ -	\$ 128
General Fund Transfers Out	\$ -	\$ -	\$ -
Net Sources and Uses	\$ (1,526)	\$ (218)	\$ (1,481)

(In Thousands)

Hohokam - Sources



Hohokam - Uses and Transfers



All components are on track to budget.